NATIONAL WEEKLY

# Social Justice

Founded 1936 by Father Coughlin

Royal Oak, Michigan July 18, 1938 Sub... Dollars Per Year 10¢

**BONANZA BANKING**
BY
Robert H. Hemphill

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**ROOSEVELT AND LIBERALISM**
Father Coughlin

•

**THE 'CATCH' IN INSTALMENT BUYING**
Judge Joseph A. Gillis

•

**THE STORY OF THE BELGIAN CONGO**
Ben Marcin

•

**THE WAY OUT**
Hilaire Belloc

•

**CHAMPION OF FORGOTTEN MEN**
A. Simon, O. M. I.

•

**CHRISTIAN FRONT CONTEST**

•

**NEWS OF THE MILLION LEAGUE**

## CROWN PRINCE JIMMY

NO ONE has profited, either financially or socially, from the operations of the New Deal more than has James Roosevelt, the eldest son of the President. The fact that he is the eldest son of the President has endowed him with prestige. A mediocre insurance salesman though he is, he and the corporation with which he is associated prospered magnificently because individuals and corporations desiring to be on the right side of the administration bought their insurance from James Roosevelt's insurance company, with the hope that either directly or indirectly a kind word from the son would gain the good esteem of the President father.

The White House chair can be exploited and commercialized by indirect methods. Its sacredness can be besmirched by indirect means.

It were better had President Roosevelt instructed his family to forego all commercial, industrial and other activities during his term than to have permitted them to enter competitive fields against citizens who lack presidential prestige and the faith of the New Deal party.

It is feared that the pen of history will not be kind to James Roosevelt, the cub insurance agent, who rose to the heights of his profession upon the ladder of paternal influence. Both he and his father, perchance, forgot that the presidency was a gift from all the American people and for the welfare of all independent of party or creed. Unfortunate it is that the gift of the presidency unconsciously was abused by a thoughtless son.

VOL. 2A NO. 3

# Social Justice

JULY 18, 1938


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Vol. 2A No. 3


# Schedule of Shrine Tours

DEDICATION DAYS

JULY 17—Chicago, Illinois, Kansas, Iowa, Columbus.

JULY 24—Indiana.

JULY 31—Cleveland, Akron, Missouri.

AUGUST 7—Cincinnati, Southern Ohio, Kentucky, Dayton.

AUGUST 14—Toledo, Piqua, Sidney, Lima, Troy, Ohio.

AUGUST 21—Michigan, Wisconsin, Minnesota.

SEPTEMBER 3-4-5—National Day—for all.

## LABOR DAY CRUISE

ARRANGEMENTS have now been completed to bring hundreds of vacationists from New York, Brooklyn, Long Island, New Jersey and Connecticut on a banner week-end cruise to Detroit and Royal Oak for a visit to the Shrine of the Little Flower, to which will also be included Niagara Falls.

The tour will leave New York on Friday night, September 2nd, on the Erie Railroad, concluding on Monday evening, at 7:25 P. M., September 5th.

National Day at the Shrine, Sunday, September 4th, will be a special occasion. Solemn High Mass at 10 o'clock, with Father Coughlin welcoming the visitors and delivering the sermon.

After luncheon a visit to the Reliquary where one may behold the charred oak beams and the statue of the Little Flower which were saved from the famous old Shrine.

At 3 P. M. a special address to visitors by Father Coughlin, and the subject will dwell on labor.

This is one of the original and most attractive trips to be had anywhere at the price offered over this holiday week-end, and the S. S. Greater Detroit which will carry the party across beautiful Lake Erie is one of the largest afloat on the inland waterways, and will accommodate 1,000 people comfortably.

Plan now to be one of the happy crowd of New Yorkers to make this Labor Day week-end trip which will be a real vacation.

Tell your friends and make your reservations now—write, phone or wire:

BRYAN B. O'ROURKE
1807 Westchester Ave.
Bronx, N. Y.
Westchester
7-1731 or 7-1371

J. F. WILD, G.A.P.D.
Erie Railroad,
Rockefeller Center,
New York City
Circle 5-7222

## MINNEAPOLIS and ST. PAUL, MINN.

August 21, 1938

Leaving Minneapolis, Saturday, August 20
at 12:30

Returning Monday evening, August 22

ROUND TRIP FARE

**$22.30**

(Based on twenty-five persons or more)

For more information contact:
MR. J. J. BURNS
700 Marquette Ave.,
Minneapolis, Minnesota

## INDIANA—INDIANAPOLIS DAY

JULY 24, 1938

Bus Trip

For information apply to:
MARY LEACH
55 S. Tremont
Belmont 0605-M
Indianapolis, Ind.

ANNA PICH
236 N. Hamilton Ave.
Cherry 7850
Indianapolis, Ind.

J. WM. FOLEY
839 N. Gray
Cherry 4004-W
Indianapolis, Ind.

## KENTUCKY—LOUISVILLE DAY

August 7, 1938

Baltimore & Ohio Railroad

For more information contact:
MR. J. F. SPENCER
JA-7683

## CLEVELAND DAY

Elyria and Sandusky

July 31, 1938

Round Trip **$6.95** Fare

Including Luncheon and Dinner at Detroit Hotel and Sightseeing Trip to Royal Oak.

New York Central Ticket Office
1104 Chester Avenue
Prospect 5000
Cleveland, Ohio

## WINNERS NEXT WEEK!

Names of prize-winners in the recently concluded "AMERICA TODAY" Contest will be made public in SOCIAL JUSTICE next week, July 25. Answers to the 50 contest questions, adjudged to be the "best and most appropriate," also will be announced.

The "CHRISTIAN FRONT" Contest, greatest competition of its kind ever conducted, today goes into its third week. With a prize list of $14,000.00 which can go to 159 readers of SOCIAL JUSTICE who enter during the first five weeks, this Contest is bound to become the most popular of all mental tests on questions of social justice conducted by this national weekly.

It is the last of a series of four educational competitions to be run by SOCIAL JUSTICE and will afford readers who did not win in former contests a final chance not only to acquire additional social justice knowledge but also to show that this knowledge entitles them to one of the 159 cash prizes.

## WISCONSIN AND MINNESOTA DAY

August 21, 1938

Mr. Joseph A. Halaska, 917½ Green Bay St., La Crosse, Wisconsin is conducting a tour for the people of Wisconsin and Minnesota. A few more persons are needed for this trip in order to receive the special rates that the railroads care to offer for group selling.

This tour will include Minneapolis and St. Paul, Minnesota and Milwaukee, Racine and Madison, Wisconsin. For more information, kindly use the coupon.

Joseph A. Halaska,
917½ Green Bay St.,
La Crosse, Wis.

Kindly send me information in regard to your tour to the Shrine of the Little Flower in Royal Oak, Michigan. This request does not oblige me in any way.

Name .....

Address .....

City ..... State .....

## ST. LOUIS, MISSOURI, GRANITE CITY, EDWARDSVILLE, LITCHFIELD, DECATUR AND DANVILLE, ILLINOIS

Tour to the Shrine of the Little Flower
July 30-31

**Round Trip $10.00**

For more information contact:

Wm. J. Bley, 5023-a Devonshire Ave., or Joseph De Moor, 2739 Gravois Ave., or H. Miller, 2335 Whittemore St., St. Louis, Missouri.

## SOUTHERN OHIO AND CINCINNATI DAY (Middletown, Dayton, Springfield)

Shrine of the Little Flower
August 7, 1938

SPECIAL TOUR

| | |
|---|---|
| Cincinnati | $5.75 |
| Middletown | 5.25 |
| Dayton | 5.00 |
| Springfield | 5.00 |

New York Central System
Union Station, Cincinnati, Ohio

## NATIONAL DAY AT THE SHRINE OF THE LITTLE FLOWER

September 3, 4 and 5

For PITTSBURGH and SURROUNDING TERRITORY

Tour to the Shrine of the Little Flower, Royal Oak, Mich. The only trip of its kind ever offered to Fr. Coughlin's followers in Pittsburgh.

LOW FARE · $13.65 · ROUND TRIP

A GREAT LAKES CRUISE Via
Penna. R. R. to Cleveland, Ohio
D. & C. Steamer to Detroit, Michigan

Including bus direct to the Shrine. 3 meals, berth in stateroom.

For more information apply NOW to any of the following:

A. J. STAUD
51 Amanda St.
Pittsburgh, Pa.
HEmlock 8307

MRS. MARIE GUCKERT
1721 Brighton Pl.
N. S. Pittsburgh, Pa.
FAirfax 1217

MRS. LOU SCOTT
400 Magee Bldg.
Pittsburgh, Pa.
ATlantic 2956 or EVergIade 5366

Special arrangements can be made to accommodate groups from surrounding districts. You are advised to write at once.

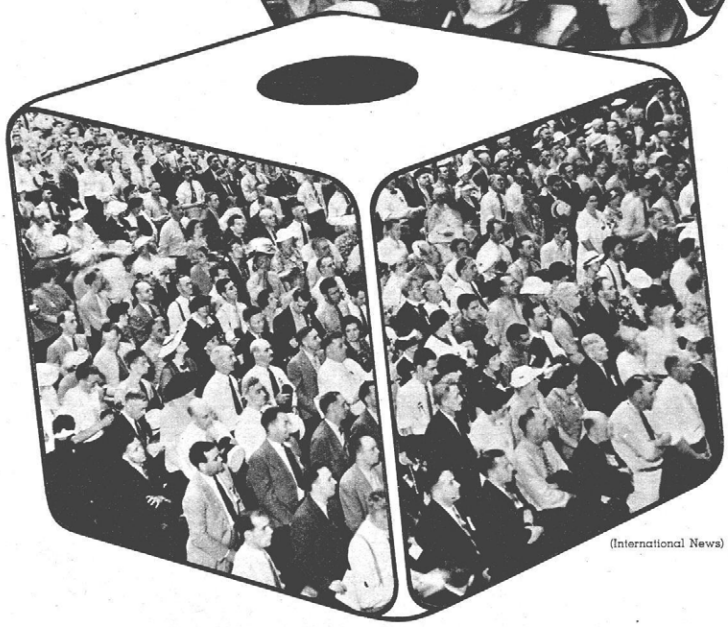
RESERVATIONS ARE LIMITED

Wide World

# Mr. Roosevelt and Liberalism

by Father Coughlin

(Wide World Photo)



(International News)

In his latest fireside chat, which millions of Americans failed to hear, President Roosevelt presented himself as the champion of liberalism.

All good Democrats, Republicans, Socialists, Communists, Catholics, Protestants, Jews, whites and blacks, so he intimated, who follow him are liberals. All who do not follow him are reactionaries, or non-liberals.

As has been said often during the past few weeks the President, forgetful of his Presidency and mindful only that he is head of a political party, is afraid that the Democratic party, as such, is turning against him. Consequently, in the hidden glow behind the logs of the fireside chat, one sees the birth of a new party. Call it the Roosevelt party or the Liberal party, but nevertheless it was an attempt on the part of the political head of a party to reach out into the camps of Republicanism, Communism, Socialism, democracy, Catholicism, Protestantism, Judaism and what-not-ism to assemble all men and women of all types and creeds in a new Liberal party. "I am the great liberal. I stand for liberalism." Those words describe Mr. Roosevelt and force us to ask the question, "What is liberalism?"

The word, "liberalism," comes from the Latin word, "liber," which means "free." Therefore, a translation of "liberalism" would be "freedomism."

Of course, the world's greatest liberal was Jesus Christ Who came to set us free from the bondage of sin and all the lasting effects of sin. In that sense He was the perfect liberal. Consequently, Christ stood for moral freedom, spiritual freedom, physical freedom, agrarian freedom and economic freedom.

Any child recognizes that there is a difference between freedom and license. Any child recognizes that good laws are written to protect one's freedom just the same as STOP and GO signs are placed at highway intersections to safeguard pedestrians and motorists.

Hence, liberalism as a sound political philosophy must be a theory which aims at, first, conceiving the sound principles which are in harmony with the sound law of God and, then, reducing these principles to practice through human laws which direct men to do or not to do definite actions in accord with justice.

A true liberal cannot entertain legislation counter to God or God's directions; counter to God's justice or commands.

A true liberal cannot advocate license which, in its broad sense, means acting outside the law of God or of laws derived therefrom.

Liberty exists only within the circle of just laws. Liberty is circumscribed by these laws just the same as a pedestrian's walking is limited, for safety, by the STOP and GO lights.

License is identified with acting outside the just law to such a degree that no attention is paid to STOP and GO lights.

**I**s Mr. Roosevelt a liberal? That he is oftentimes novel, we will all admit. His policy of taking from the rich and giving to the poor, however, is neither novel nor liberal because it is evident to all persons that he is not against the system which enabled the rich to exploit the poor and, consequently, will not succeed in benefiting the poor or the exploited.

Let us analyze that statement: There are five men in a dice game. The dice are loaded. One man only knows that the dice are dishonest and he is the only one who knows how to turn them to his own advantage.

After an hour this dishonest person, using the dishonest dice, wins all the money belonging to his four competitors.

The four men who have lost their money raise a bitter complaint. They gang up against the man with the loaded dice. He is too clever to resist them physically, although he argues with them about the sanctity of private property and the righteousness of lawful gains.

Nevertheless, he loses practically everything except the loaded dice.

The crap game is resumed.

In another hour the master of the loaded dice again relieves the suckers of their wealth.

Now you would hardly call these suckers liberals if they merely demanded a restoration of their wealth with the pledge that they would resume the crap game with the loaded dice.

A true liberal would remove the loaded dice from the game and thus prevent the exploitation of the innocent gamesters.

It is true that Mr. Roosevelt is bent upon dividing the wealth through the process of taxation. Soon it will be divided. Soon the rich will be poor and the poor will still remain poor. Soon the poor will organize in unions like the C.I.O. and the U.A.W. to assist Mr. Roosevelt in dividing the concentrated wealth.

Then the game will begin all over again. With the loaded dice of the private issuance and regulation of money the crap game of politics will continue and the exploitation of the poor will result.

Is Mr. Roosevelt a liberal? Not as long as he stoops to initiate his unsound and impractical legislation which runs counter to the prime virtue of honesty and which favors the ancient vice of usury.

Is Mr. Roosevelt a liberal? Not when he attempts to raise prices and starve the poor. I really mean that Mr. Roosevelt slaughtered millions of pigs, of cattle, plowed under thousands of acres of cotton, and corn, and wheat, when he admitted that one-third of our population was lacking food, clothing and shelter.

That is not liberalism. That is only legalized vandalism which parades under the name of liberalism and is accepted as such by the 25-million persons who are content to receive a crust of bread from the Federal table—pardon me, a few crumbs which fall from the New Deal table while the big whigs of New Dealism are wallowing in rich insurance contracts for radio, whisky and public utilities and making millions of dollars at the expense of the poor.

**O**f course you read Alva Johnston's article in the *Saturday Evening Post* which describes James Roosevelt and his insurance activities, that net him a profit of $250,000 to $2-million a year.

Is that liberalism?

Is it liberalism for Mr. Roosevelt as President to campaign for the re-election of his yes-men and to pass out thousands of baskets of food to the hill-billies of Kentucky marked *"This is a present from Alben Barkley to my fellow citizens in Kentucky"?*

This despicable pandering and political skulduggery is a proven fact now known to the entire nation and was being done the very night when Mr. Roosevelt approached the microphone claiming that he is the world's champion liberal.

Think of it! Money taken from the taxpayers of every State in the Union was used to buy food and clothing for the poor hill dwellers of Kentucky in order to purchase votes for the leading yes-man of the New Deal in the United States Senate.

Is that liberalism?

You can't have liberalism unless you have justice. You can't have justice when you superimpose taxation upon the American people to a degree which renders taxation confiscatory.

Is it liberalism for Mr. Roosevelt to reach into every pay envelope of every factory worker and take out more than one-third of his salary not only to buy bread but also to pay some farmer for not raising wheat; to buy cigarettes and pay some tobacco grower for reading dime novels; to buy overalls and pay some cotton grower for teaching his mules to tramp the cotton into the soil?

Is it liberalism when Mr. Roosevelt applauds the wage and hour bill and sets a minimum wage of $15 a week in some districts when true liberalism demands an annual living wage for every person able and willing to work?

Is it real liberalism when Mr. Roosevelt's Government corporations are busy confiscating the homes of the citizens of this nation? I mean that the H.O.L.C., for example, confiscates at the rate of 1,700 homes a day in the United States. I mean that his farm organizations are confiscating 2,000 farms a day in our nation.

Is it liberalism for Mr. Roosevelt's Government to borrow 31-billion bogus dollars from the Federal Reserve Banks and contract for the American people to return to this private corporation 31-billion hard-earned dollars plus interest?

**R**eal liberalism would not stand for want in the midst of plenty.

Bogus liberalism will continue with the circuses and the bread to the unthinking mobs as did Nero of old in the days of the decline of the Roman Empire.

If Mr. Roosevelt were a real liberal, he would not try to justify himself in adopting a policy of destructionism.

If he were a genuine liberal, he would remove the loaded dice from the crap game of American economics instead of piddling away his time by dividing the wealth and keeping the iniquitous system which permitted it to be concentrated in years gone by.

Liberalism stands close by the law of God. It is opposed to unjust laws. It is brave enough to pass virtuous laws. Liberalism and freedom are synonymous terms.

God help us if liberalism and New Dealism must be swallowed with the same gulp!

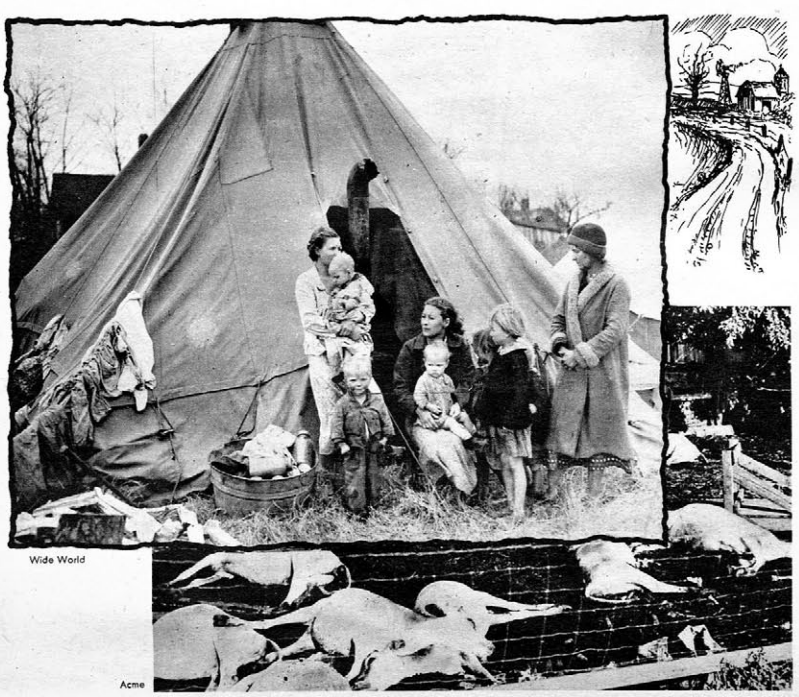
Liberalism and freedom-ism! There is no freedom in keeping people on the dole; no freedom in paying a minimum wage of $15 a week; no freedom in buying elections with public tax-money; no freedom in keeping up prices through a program of destruction; no freedom in writing party platforms and then consigning them to the waste paper basket; no freedom in tapping telephone wires and appointing snoopers like Senator Minton to curtail every honest activity; no freedom in playing hand-in-glove with the money changers; no freedom in turning over the plums of government to the Crown Prince James; no freedom in compromising with Communists, Loyalists and radicals; no fredom in making rubber stamps of Congressmen; no freedom in perverting the Constitution of the United States into a play toy of a one-party form of government.

Recently Harold Denny, Moscow correspondent for the *New York Times* said in a dispatch dated from Moscow:

"Three years ago, at the last conference of the Communist International, the old Communist policy of fighting moderate Socialists and liberals was abruptly dropped under the menace of increasing Fascist ambitions in world affairs. In place of that the united front policy was adopted.

"The Soviet Union began preparing a 'liberal' Constitution, inscribing many democratic features—albeit vitiated by jokers—and *in the proclaimed character of a 'proletarian democracy' it sought to array liberal western democracies on its side against Fascist dictatorships.* The theme of world revolution was soft-pedaled."

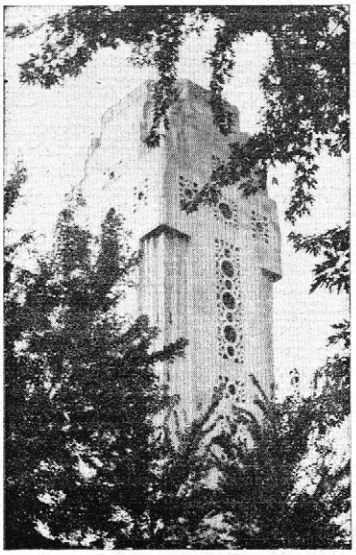
It is well to ponder upon this when you hear an American talking of liberalism—especially an American who has not repudiated, publicly, his following of Communists.



Wide World

Acme

# "THE PROTOCOLS OF ZION"



FROM THE TOWER

IN THE YEAR 1905—thirty-three years ago—there was published in Russia a booklet entitled "The Protocols of Zion."

The following year, on August 10, 1906, a copy of this booklet was officially received, officially stamped and officially registered in the British Museum.

These dates are important because they are useful to prove indisputably that the contents of the book were not composed after the World War, after the Russian Revolution or after the Hoover depression.

On February 17, 1921, Mr. Henry Ford is reported to have said in an interview published in *"The New York World"* relative to this book: "The only statement I care to make about the Protocols is that they fit in with what is going on. They are sixteen years old (at this time, 1921) and they have fitted the world situation up to this time. They fit it now."

Everyone who mentions the Protocols is listed immediately as a Jew-baiter.

That is very poor logic.

Although the Protocols are supposed to represent an account of a meeting held by certain so-called Jewish leaders, it is fair to the Jewish people to say that the vast masses of Jewry know little or nothing about them. It is likewise fair to assert that the vast mass of Jews entertain no organized hostile thought against either gentiles or Christians.

From time to time various groups of Jewish people have felt called upon to condemn the authenticity of the Procotols and to stamp them as a forgery. Nevertheless, Theodore Herzl, the father of Modern Zionism and the president of the first Zionist Congress held at Basle, Switzerland in 1897, gave public and official utterance in his *"Diaries"* (published in part in the *Jewish Chronicle* of July 14, 1922) which fit in intimately with definite passages of the Protocols themselves.

In 1895 Theodore Herzl visited England. In his published *"Diaries,"* he gives an account of a conversation he held with Colonel Goldsmid, an eminent Jew brought up as a Christian. Goldsmid was an officer in the English Army. He suggested to Herzl, according to the *"Diaries,"* that the best way to expropriate the English aristocracy and to destroy their power for protecting the people of England against usurious domination, was to put excessive taxes on the land.

Herzl thought this to be an excellent idea. This same idea is found definitely embodied in the Sixth Protocol. Relative to the first Zionist Congress held at Basle in 1897, and to all other Congresses, there is no intimation that such Congresses were summoned to devise ways and means to destroy Christian ethics or culture. Although the *"Jewish World"* on March 15, 1923, unfortunately said that "fundamentally Judaism is anti-Christian," nevertheless, conservative Christians pay little heed to this ranting against Christians conducted by that or any other Jewish newspaper which does not represent the mind of the ordinary Jew.

However, when Walter Rathenau, the eminent Jew, informed the world that the fate of Europe rested in the hands of three hundred men who were over and above all governments, both Europe and America paused to reflect upon his warning. Writing in the *"Wiener Freie Presse"* on December 24, 1912, he said:

"Three hundred men, each of whom knows all the others, govern the fate of the European continent, and they elect their successors from their entourage."

WHETHER the Protocols spring from the minds of these three hundred men; whether Mr. Marsden, the Russian correspondent of the *"Morning Post"* who gave us the following translation, knew what he was talking about and writing about, or whether the Protocols of Zion are as spurious as the Knights of Columbus so-called oath—these questions do not contradict the accord which is evident in the content of the Protocols with the very definite happenings which are occurring in our midst.

SOCIAL JUSTICE, therefore, presents Protocol No. 6. It reads as follows:

"Monopolies: Upon them depend the fortunes of the goyim (gentiles). Taking of the land out of the hands of the aristocracy. Trade, Industry and Speculation. Luxury. Rise of wages and increase of price in the articles of primary necessity. Anarchism and drunkenness. Secret meaning of the propaganda of economic theories.

"We shall soon begin to establish huge monopolies, reservoirs of colossal riches, upon which even large fortunes of the goyim (gentiles) will depend to such an extent that they will go to the bottom together with the credit of the States on the day after the political smash . . .

"You gentlemen here present who are economists, just strike an estimate of the significance of this combination! . . .

"In every possible way we must develop the significance of our Super-Government by representing it as the Protector and Benefactor of all those who voluntarily submit to us.

"The aristocracy of the goyim (gentiles) as a political force, is dead—we need not take it into account; but as landed proprietors they can still be harmful to us from the fact that they are self-sufficing in the resources upon which they live. It is essential therefore for us at whatever cost to deprive them of their land. This object will be best attained by increasing the burdens upon landed property—in loading lands with debts. These measures will check land-holding and keep it in a state of humble and unconditional submission.

"The aristocrats of the goyim (gentiles), being hereditarily incapable of contenting themselves with little, will rapidly burn up and fizzle out.

"At the same time we must intensively patronize trade and industry, but, first and foremost, speculation, the part played by which is to provide a counterpoise to industry: the absence of speculative industry will multiply capital in private hands and will serve to restore agriculture by freeing the land from indebtedness to the land banks. What we want is that industry should drain off from the land both labour and capital and by means of speculation transfer into our hands all the money of the world, and thereby throw all the goyim (gentiles) into the ranks of the proletariat. Then the goyim (gentiles) will bow down before us, if for no other reason but to get the right to exist.

"To complete the ruin of the industry of the goyim (gentiles) we shall bring to the assistance of speculation the luxury which we have developed among the goyim (gentiles), that greedy demand for luxury which is swallowing up everything. We shall raise the rate of wages which, however, will not bring any advantage to the workers, for, at the same time, we shall produce a rise in prices of the first necessaries of life, alleging that it arises from the decline of agriculture and cattle-breeding: we shall further undermine artfully and deeply sources of production, by accustoming the workers to anarchy and to drunkenness and side by side therewith taking all measure to extirpate from the face of the earth all the educated forces of the goyim (gentiles).

"In order that the true meaning of things may not strike the goyim (gentiles) before the proper time we shall mask it under an alleged ardent desire to serve the working classes and the great principles of political economy about which our economic theories are carrying on an energetic propaganda."

FOR MORE than two years I have been pointing out that the efforts on the part of certain labor leaders merely to raise the hourly wage without regulating the cost of living was an idle gesture.

Why raise the laborer's wage five or ten cents an hour and then permit the controllers of wealth to raise the cost of foodstuffs, of wearing apparel, of shelter and of taxation which more than assimilated all the negligible gains of the five and ten cent hourly wage raise?

For many years I have been militating against the destruction of agriculture, the main purpose of which was to cause hardship, scarcity and unrest.

This statement stands irrefutably even against the arguments of those who prate about overproduction and regulation; for there is no overproduction when one-third of the nation is hungry and there is no regulation when wealth is still being concentrated in the hands of a few.

Read again this plan explained in the *Sixth Protocol* to destroy civilization.

No wonder the author of this document foresaw many years ago how to create want in the midst of plenty and how to agitate the thoughtless masses to the point of revolution.

*"We shall raise the rate of wages which, however, will not bring any advantage to the workers, for, at the same time, we shall produce a rise in prices of the first necessaries of life,* alleging that it arises from the decline of agriculture and cattle-breeding."

This has been accomplished under the regency of the New Deal.

"We shall further undermine artfully and deeply sources of production, by accustoming the workers to anarchy and to drunkenness . . ."

This has been accomplished through the agency of the C.I.O. which for many months has been under the influence and leadership of communistic philosophy with its needless and unauthorized strikes and its destruction of property; with its clubbing of officers and its seizure of government in various states.

"In order that the true meaning of things may not strike the goyim (gentiles) before the proper time, *we shall mask it under an alleged ardent desire to serve the working classes* and the great principles of political economy about which our economic theories are carrying on an energetic propaganda."

How true is this statement!

Repeating that SOCIAL JUSTICE holds no emnity for the Jew but desires to extend a hand of assistance to every son of that race, we call upon the righteous Jewish leaders to campaign openly, in season and out of season, against these communistic attempts to over-turn a civilization.

The book of *"The Protocols of the Meetings of the Learned Elders of Zion"* is preeminently a communistic program to destroy Christian civilization. The best rebuttal which the modern leaders of Zion can offer to the authenticity of the Protocols is to institute a vigorous campaign against Communism. Jews as a whole oppose Nazism and Fascism.

When will they begin their campaign against Communism?

Next week another one of the twenty-four Protocols will be published in full. It will deal with the money question.

*Father Coughlin*

NATIONAL WEEKLY
**Social Justice**
*Founded 1936 by Father Coughlin*
**Rev. Chas. E. Coughlin, LL.D.**
EDITORIAL COUNSEL
(By Permission of His Superior)
Published by The Social Justice Publishing Co.

16 PRINCIPLES OF SOCIAL JUSTICE

1. Liberty of conscience and education.
2. Just, living, annual wage.
3. Nationalization of important public resources.
4. Private ownership of all other property.
5. Control of private property for public good.
6. Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.
7. Restoration to Congress of its sole right to coin and regulate the value of money.
8. Cost of living maintained on an even keel.
9. Cost of production plus a fair profit for the farmer.
10. Labor's right to organize.
11. Recall of non-productive bonds.
12. Abolition of tax-exempt bonds.
13. Broadened base of taxation on basis of ownership and capacity to pay.
14. Simplification of government and lower taxes.
15. Conscription of wealth as well as men in event of war.
16. Sanctity of human rights preferred to sanctity of property with government's chief concern for the poor.

## Ben Franklin Told the English

SOCIAL JUSTICE yields this position to a "guest editorial writer," the Hon. Charles G. Binderup, Representative from Nebraska. A veteran battler for the social justice principle of an honest money system, Congressman Binderup reports a heartening recruiting of Congressmen and Senators to the support of the monetary reform legislation in the closing hours of the last Congress. There is, he believes, hope of eventual action in the next session.

Says Congressman Binderup:

In 1773, Benjamin Franklin went to England as a representative of the British Colonies. When he arrived in England he found that the most dire distress, want, and need existed. He found the streets covered with the unemployed and that the corners were cluttered with beggars. He said to his English friend, "Why is this? What brought about this calamity, poverty, and unemployment?" Then he added that in the American colonies there was no poverty, there were no poorhouses, that we did not need poorhouses for we had no one to put in them; there was no unemployment. He stated that everyone was fully employed.

The people of Great Britain could not understand the situation, because they had been in the habit of emptying their penitentiaries and sending them to the Colonies. They could not imagine how, having sent their miserable poor people to the Colonies, there was anything except unemployment, misery, and want. They asked Mr. Franklin to tell them how he accounted for their prosperous conditions, and Benjamin Franklin said:

"That is simple. It is only because in the Colonies we issue our own money. It is called colonial scrip, and we issue it in the proper proportion to the demand of trade and industry."

It was not very long until this information was brought to the Rothschilds' bank, and they saw that here was a nation that was ready to be exploited; here was a nation that had been setting up an example, that they could issue their own money in place of the money coming through the banks. So the Rothschild Bank caused a bill to be introduced in the English Parliament which provided that no colonies of England could issue their own money. They had to use English money. Consequently the Colonies were compelled to discard their scrip and mortgage themselves to the Bank of England in order to get money. For the first time in the history of the United States our money began to be based on debt.

Benjamin Franklin stated that in one year from that date the streets of the Colonies were filled with the unemployed, because when England exchanged with them, she gave the Colonies only half as many units of payment in borrowed money from the Rothschild Bank as they had in scrip. In other words, their circulating medium was reduced 50 per cent and everyone became unemployed. The poorhouses became filled, according to Benjamin Franklin's own statement.

Mr. Franklin went further than that. He said that this was the original cause of the Revolutionary War. In his own language:

"The Colonies would gladly have borne the little tax on tea and other matters had it not been that England took away from the Colonies their money, which created unemployment and dissatisfaction."

I say again, as I have often said before, there never was a panic, a money depression, or recession that was not caused by the banks through uncontrolled plans and uncontrolled volume and velocity of money. We have often stated, and the old economists have often said, that volume of money is important. May I say that the velocity of money is just as important as is the volume of money. You have to put new money into circulation at the bottom, because that is where you need and must create your purchasing power. You cannot put it in at the top any more.

## Communism Is Real

IF THE subterfuge of dropping the name "Communism," in order to bore from within America under the guise of "Liberal Democracy," were not enough to put every patriot upon his guard, the frank admissions—not to say boasts—of Communists within the last weeks should alarm the most skeptical.

Testifying before the McNaboe investigating committee of the New York legislature, Earl Browder, general secretary of the Communist Party in the United States, frankly admitted that the "Communist Party *is part and parcel of the Communist International* in Moscow," and that Communists in America *"have never refused to abide by its decisions."* He added the hope that New York, instead of Moscow, would become the world center of the Communist International.

Browder makes no secret, indeed he makes an official declaration, that Communism in America, with its declared program of undermining American institutions, is tied up with Moscow. With equal candor, the "Stalin of America" testified that Communist units exist in the municipal building, state office building, and a home relief office in New York. He also gave the committee a list of schools, colleges and hospitals in which Communism is "officially at work."

The result of this exposure of unblushing Communistic activity has been a movement to bar the party from the ballot in New York state. At present, the Communist party, along with the Democrats, Republicans and Socialists, has the protection of law and the prestige of an official political party, for all that its declared objective is to abolish our form of government.

With Browder's official admission that American Communists act upon orders from Moscow, the party becomes an "alien influence" at work within America and as such can, and possibly may, be barred under the new constitution now being prepared for the Empire State.

If Communism in New York is already so strong that it cannot be barred effectively, then it is time that the rest of America knew about it.

## Monopoly "Witch Hunt"

THE EVIL effects of monopoly, operating to stifle small business, are well known. Superficially then, the monopoly investigation authorized by the recently-adjourned Congress might be considered subject for praise by a great percentage of the population.

That is just the way President Roosevelt intended it to be accepted. By wheedling Congress into giving him $400,000 of a $500,000 appropriation to finance the investigation, the President indicated clearly his intent to provoke popular applause—$400,000 worth.

Under the bill, a 12-man economic commission is to make a detailed study of the nation's financial and business structure. This study is intended to cast into bold relief, those financial institutions and business combinations which govern national commercial enterprise. The commission is expected to suggest remedial legislation.

But, like so many New Deal acts laudable in purpose, the study probably will wind up at a point far afield from the objective.

In nailing down four-fifths of the total appropriation for his own disbursement, President Roosevelt closed a strong fist of control over the whole investigation. The commission will take the steps he visions; will examine the problems he selects, and thus will arrive at conclusions which he holds.

There is grave danger of the investigation turning into a monopoly witch hunt similar in nature to Senator Minton's propaganda witch hunt. There is danger that America will witness the spectacle of business men impaled on the New Deal spear, of industrialists locked in the New Deal stocks, or dunked into the New Deal well, just at a most propitious time, from a political and electoral standpoint.

There is a sad need for an impartial investigation of monopoly, and a sadder need of legislation to throttle out of existence the known financial monopoly. But it is too much to hope that the New Deal will undertake needed reform. From its nature it must concern itself with beating up class strife, with smearing all business, with concocting demagogic appeals to voters in the mass that it may perpetuate itself in office.

If the investigation takes a contrary course and shows promise of siring needed reform, we shall be the first to laud it publicly.

## It's in the Bag!

KENTUCKIANS on relief are reported to be receiving relief rations in large paper sacks bearing this legende:

"PAPER BAGS
"donated by a friend of
"Senator Alben W. Barkley."

The inference is obvious. The politicians hope that the unlettered hill people and the oppressed poor will believe that the contents, as well as the paper sacks, comes from the largesse of "Dear Alben." Deftly hinted in some cases, openly stated in others, that is the political propaganda with which Kentucky is being assailed. If in sowing the wind we shall reap the whirlwind, the politicians of Kentucky are sowing dragon's teeth.

"If those in high authority are opposed to these outrages and are not to be the beneficiaries thereof, let such persons join with me in stopping them," declared Representative John M. Robsion of Kentucky on the floor of Congress. Robsion held aloft one of the bag fronts and stated that Governor Chandler's campaign manager had sent a photostat of the offending advertisement to every member of Congress.

"Do these politicians give no thought to the price that was paid at Bunker Hill, Lexington, Valley Forge and Yorktown for our right to vote?" the Kentucky Congressman pointedly asked his colleagues. "Do they not realize that in debauching the elections of this country they are digging the very foundations from under our Government? The day of reckoning is coming.

"I indulge the hope that there is too much patriotism, intelligence and courage left in this country to permit ambitious and scheming men to wreck and destroy the nation's credit and take away the liberties of the people. When the people once have full knowledge of the facts and have become thoroughly aroused, these betrayers of the people's trust will be calling upon the mountains to fall upon them and hide them!"

*Arise, ye prisoners of starvation,*
*Arise, ye wretched of the earth!*
*For Justice thunders condemnation,*
*A better world's in birth.*

# The Week in the Nation

## POLITICS

### Moscow's American Party

THE doom of the Communist party in New York state elections may have been sealed in a legislative committee hearing a fortnight ago. At that time Earl Browder, executive secretary of the party, and the "Stalin" of American Communists, testified that the party in this country *"is a part and parcel of the Communist international in Moscow."*

In other words, the Communist party of America, which enjoys a place on the ballot in several states, is not a bona fide political party, but an international organization. As such it is devoted, not to the perpetuation of the American constitutional form of government, but to its overthrow.

This situation is unique in the United States. Other political parties have as their object the attainment of an electoral franchise to put their policies into effect, through the agency of constitutional machinery. The Communists, according to Browder's testimony, are slaves of the Russian ideal. They would come into power through constitutional processes, only to abrogate both the Constitution and its processes once they came into power.

### Double Exposure

Browder's testimony came at an unfortunate moment for the Communists. It was followed almost immediately by disclosures made by Stanley High in the *Saturday Evening Post*, outlining the "Trojan Horse" tactics of the Communists since 1935. This double exposure of the inner workings of Communism will go far to discredit the Red raiders who have gnawed their way into American labor, politics and civil life.

It was reasoned that, if the Communists were permitted to operate a Moscow-controlled organization masquerading as an American political party, what was to prevent leaders of the Fascist states of Italy and Germany to set up similar dummies, with the object of seizing control in America through democratic processes, only to abolish democracy when the moment arrived.

Under the "Trojan Horse" system, adopted in Moscow in 1935, Communists seek to penetrate and control every organization which may be twisted to Communistic ends; thus the entry of Reds into labor, religion, civic organizations, fraternal bodies, politics, government. This system explains the about face done by Communists in their attitude toward the Roman Catholic church, and toward certain candidates for public office.

### Significance

Significance of the picture is this: The Communist menace no longer can be measured by party membership. It is a commonplace that successful revolutions are engineered by a small band of "insiders," augmented by great numbers of deceived puppets. It is known that Communists have penetrated the C.I.O. unions, certain municipal offices, religious organizations and fraternal bodies. In these organizations, the Communist message will be furthered as something other than Communism. Hundreds of thousands of dupes will be impressed into service without their knowledge or will.

As full effect of the Browder testimony and the Stanley High article crept over America this week, it seemed almost certain New York state would attempt to outlaw the party on the ballot; other states would follow this lead, driving the party further underground in its effort to seize American government.

"NO MOSES," is Alfred Mossman Landon, Republican presidential candidate in 1936. Landon, who ripped New Deal's "political" depression in a nationwide radio address, is being looked to as a G.O.P. beacon at a time when a much stronger candidate is needed.

### Landon Talks

OUT of the obscurity of his Kansas homestead, Alfred Mossman Landon, candidate for the presidency in 1936, took to the air in a nationwide broadcast to hit at the "purely political" depression of 1938.

Occasion of the address was a Republican dinner honoring Landon in Council Bluffs, Iowa. The unsuccessful Republican candidate took deep bites into the Roosevelt "liberal" philosophy which, he charged, is leading to government absolutism. He accused the President of nagging at business to distract attention from New Deal policies which have provoked the new depression.

The address was the first of a series Landon is to deliver. Landon, undoubtedly a sincere man, was nevertheless one of the Republican party's greatest mistakes. To present him again as a spokesman for G.O.P. policy is to sorrow millions of voters looking for a strong, political Moses to lead them out of the New Deal wilderness.

## PRESS

### Pussyfooting About Spain

THE *Commonweal* advocates "positive impartiality" towards the "Loyalists" in Spain.

For years *The Commonweal* has been the most over-estimated so-called Catholic publication in this country. It was edited presumably for the silk-stocking class and failed to gain a circulation much larger than some parish papers.

Of course such journals as *The Philadelphia Record* are glad to quote the pinkish articles appearing from time to time in *The Commonweal*. English papers, failing to recognize that this weekly in nowise reflects the opinion of Catholics in America, sometimes quote it as if the opinion of *The Commonweal* really reflected the thought of 22-million adherents to the Catholic Church.

Now *The Commonweal*, in a lengthy article, comes out with a left-handed benediction for the Communists in Spain according to the style designed by the so-called *Catholic Worker* and its Communist lover, Dorothy Day.

The Jesuit periodical, *America*, takes *The Commonweal* to task. *America* is unalterably opposed to the "Loyalists" and says that despite the faults and mistakes of the insurgents headed by Franco, justice and charity are on the side of the Rebels.

*America* also asserts that it is an established fact that the Leftist factions in Spain were being driven towards a Socialist state as a transitional approach to a Soviet state.

The Jesuit publication certainly is not neutral, as is the pinkish *Commonweal*.

It is refreshing that these compromisers are being unveiled.

### Brophy Ties Up With Communists

THE Communist *Daily Worker* (June 28th) reports that Vicente Lombardo Toledano, head of the Mexican Communist Federation of Labor, and John Brophy, C.I.O. director, joined hands in calling for unity of all workers on the western hemisphere against Fascism.

These two labor leaders, definitely tied up with Communism, according to the admissions of John L. Lewis, made their appeal under the auspices of the American League for Peace and Democracy at the National Press Club Auditorium.

The American League for Peace and Democracy, as everyone knows, is positively Communist without any qualification.

Rapping the attempted coup of General Cedillo, Brophy declared relative to Mexico that "nothing would encourage reaction more than the sight of an anti-labor dictatorship in Mexico."

As usual, John Brophy's information on things politic is childish. Informed persons realize that the Cedillo insurrection against the Cardenas government was a sick sham battle. Cardenas had just finished confiscating the oil properties and some mining properties of English and American ownership. The public reaction was unfavorable in Mexico because the spoils did not go to the people but began to flow into the hands of Cardenas and his band of forty thieves.

To restore his damaged reputation, Cardenas approached his old-time friend, General Cedillo, to stage a mock revolution for the benefit of public consumption. A few bombs were dropped on government property where Cardenas was supposed to be located; a few soldiers set out to capture the insurgent. The sham battle came to an inglorious end with no serious attempt being made to capture Cedillo.

Of these things Brophy is either ignorant or else in league.

Positively, he is now in league with the Communists despite the thousand protestations which his friends will proffer to exculpate him.

The old gag about his "having a son studying for the priesthood" can never wash away his hand-clasping with the leader of the Communist labor party in Mexico and his attitude towards the Loyalist Communists in Spain.

Catholic working men are becoming wise to the charges made in SOCIAL JUSTICE almost two years ago relative to Brophy who, according to John L. Lewis, was the Communist representative of labor among the miners as far back as 1927.

## ADMINISTRATION

### President Tours

THE Chief Executive moved through the west this week, speaking alternately as Franklin Roosevelt, politician, and Franklin Roosevelt, President of the United States.

Reason for the Jekyll and Hyde: The President in Fireside Chat No. 13, drew a fine line of distinction between his twin natures, one as President, the other as head of the Democratic party. In setting his definition of the New Liberalism, he reserved to himself, as party head, the right to hand-pick candidates for the House and Senate; for state offices where it seemed necessary.

Thus, on a political tour, the President took the stump in Kentucky, Ohio, and Oklahoma to further the candidacies of men who supported him 100 per cent; to oppose those who differed in greater or lesser degree with his policies on reorganization and court packing. In between times he was President of the United States. While speaking he was "a mere citizen."

### "Liberalism"

The President's sketch of himself as two persons is drawn of stuff as fine as his definition of "liberalism." This term, bandied by radical and conservative alike until it has lost its meaning, was taken as a monopoly for the New Deal by Mr. Roosevelt. Those who agree with him are liberal. Those who disagree are arch-conservative or reactionary.

The present tour, which will culminate in the South after junkets to crucial election states and a Pacific fishing trip, is designed for the preaching of the gospel of new "liberalism," by its self-appointed disciple.

### Insurance Aftermath

Publicly, at least, the Roosevelts were but little moved by damaging disclosures of son James' insurance fortune, made by *Saturday Evening Post* writer Alva Johnston. The expose's chief character, "Jimmie" Roosevelt, son and secretary of the President, made no comment from his hospital bed at Rochester, Minn., where he is undergoing treatment for a stomach ulcer.

Ambassador Joseph P. Kennedy, linked with young Roosevelt in connection with whisky insurance contracts in the Johnston story, gave emphatic denial to the statement he was the "premier Scotch whisky salesman in America."

In Boston, however, the disclosures had repercussions doing further damage to the Roosevelt cause. Arthur D. Cronin, insurance salesman, filed suit in Suffolk Superior Court to recover $31,750 in commissions he charged were lost to him when the National Shawmut Bank denied him its insurance and threw it to the firm represented by young Roosevelt, "so that Jimmie could get the commissions."

# The Week in Washington

## CONGRESS

### Regimented Opinion

WE NEED a propaganda investigation all our own, in the opinion of Representative Paul Shafer of Michigan, who is convinced that the Nazi machine is not nearly so bad as that of the present administration. The Congressman pointed out that the taxpayers spend $11½-million a year for the questionable privilege of supporting 300 press agents employed on "publicity and education."

Secretary Henry A. Wallace of the Department of Agriculture explains away the bill in a novel manner. Says Mr. Wallace: "A steadfast national allegiance to any fixed course, international or intermediate, also requires a certain degree of regimented opinion."

Perhaps the Secretary can do better with regimented opinion than his department has done with crop regimentation. For Mr. Wallace has on his desk the report that only about 42 per cent of the corn farmers of Indiana and Illinois are "co-operating" with the soil conservation plan. The rest are growing as much as they can.

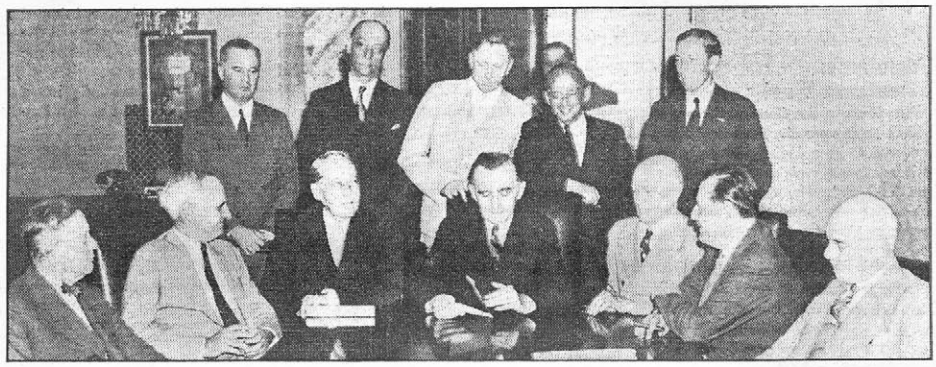
### O. K., Mr. President

Good news for the purgers was delivered by Senator Morris Sheppard of Texas, chairman of the Senate campaign investigating committee. Sheppard announced that his committee found Mr. Roosevelt entirely within his bounds in publicly promoting or disparaging Congressional candidacies. In contrasting the Presidential position with that of Aubrey Williams, relief administrator, the committee said: "A general speech by the President to the country at large presents an entirely different situation from that of Deputy W.P.A. Administrator Williams in addressing relief enrollees. The President is entirely within his rights in making a general statement to the country at large. Therefore his activities in this respect do not come within the jurisdiction of the campaign investigating committee." And again we see the importance of having the "right people" appointed to investigating committees.

### 24 Years

Republicans will have a chance to vote for somebody at the next session, when their Minority Leader, Representative Bertrand H. Snell of New York, will bid farewell to service in the House. The Congressional leader who has seen 24 years of service in Washington, announced his desire to return to his business interests in New York. Friends of the consistent anti-New Dealer however, assert that discouragement with the Congressional muddle and the administration control of even the anti-administration party members, had as much to do with his decision, as did the mending of personal affairs in Potsdam. The Republicans lose a good fighter, and the administration a gentlemanly critic, in the retirement of Congressman Snell.

REP. B. H. SNELL



Members of the congressional-executive joint committee to investigate monopoly held their first meeting on July 1. Seated are Senator William E. Borah, Herman Oliphant, Senator William King, Senator Joseph C. O'Mahoney, Representative Hatton Summers, Thurman Arnold, Representative Ed C. Eicher. Standing are Richard Patterson, G.S. Ferguson, chairman of the Federal Trade Commission, William O. Douglas, Isador Lubin and Representative B. C. Reece.

## EYES and EARS OVER THE CAPITOL

*by Mark Meecham*

### Trust-Busters In Action

EVER since President Roosevelt sent his monopoly message to Congress last April, it was inevitable that something be done about this particular fly in prosperity's ointment, but then as now, the question was and is—what?

The committee was appointed, the lines of demarcation, drawn. Yet from the first there has been a tug-of-war between the Congressional members and the White House appointees for control of the investigation, with all the odds in favor of the President's team. Senator O'Mahoney was named chairman and Representative Hatton Summers, vice-chairman, but happenings from there on have caused investigators on the Congressional side to wonder what, after all, is in a name.

For almost a month before the first official conference, the New Dealers on the committee arranged special meetings of industrialists. Assistant Secretary of Commerce Richard C. Patterson, was host to the much-publicized gathering of business men who met to hear the most recent of the fireside chats, and remained to make the acquaintance of Assistant Attorney General Thurman Arnold, S.E.C. Chairman William Douglas, Treasury Counsel Herman Oliphant, and Labor Statistician Isadore Lubin—all members of the monopoly investigation committee!

At that time—a week before the committee had even met to decide upon anything, Trust-Buster Robert Jackson told the group of industrialists exactly what the investigation would be about. (The authority for his announcements was considerably bolstered by his listeners' knowledge that the New Deal would directly control the spending of 80 per cent of the investigation money.)

Then, as if that were not enough to deflate the Congressional ego, Trust-Buster Thurman Arnold went even further. One day when Chairman O'Mahoney was out of the city, Arnold took it upon himself to call the first meeting of the committee and accordingly invited the other eleven members in Washington to attend. Only the polite but firm objections of Senators Borah and King prevented the obstreperous brain truster from taking things over right then.

* * *

Actually the monopoly investigation involves much more than a look at existent monopolies and plans to break them. The powers granted to this committee are so broad that it may study anything from monetary control and the value of the dollar, to recommendations for increasing the nation's purchasing power. There are few economic aspects into which the investigators could not delve, even including housing which the President has called the "perfect example of how ability to control prices interferes with the ability of private enterprise to fill the needs of the community and provide employment for capital and labor."

The "witch-hunting" part of the investigation, the New Dealers insist, will not interfere with the bigger problem of the committee. Any additional enforcement of the anti-trust laws suggested by evidence to the committee during the investigation, will be handled by the ubiquitous Mr. Arnold himself.

"As long as I am head of the anti-trust division," he has announced, "violators will be prosecuted to the hilt."

Tax revision, which has already been promised an important place on the 1939 legislative program, will also enter into the monopoly investigation picture. The undistributed profits tax, for example, was the bone of much disruptive contention between the administration and the "copperheads" during the last Congress. The New Dealers on the committee now intend really to have the cold facts on not only what taxes the average corporation pays, but what taxes it can afford to pay. They intend to know themselves, not depend on "tax experts" brought in as witnesses, whether or not the undistributed profits tax really did hurt business.

* * *

In his original monopoly message, the President asked that the investigation be made exclusively by his departments, and he does not intend to let the appointment of six Congressional committeemen prevent it now. The investigators in his department know just where they are going and exactly how to get there; and they do not mean even to be bothered by Congress.

About the only way in which the legislative half of the committee could affect proceedings would be for its members to officially uncover a few little things that the New Deal does not want uncovered. Yet even that is unlikely with six trust-busters and $400,000 on the jury.

## FINANCE

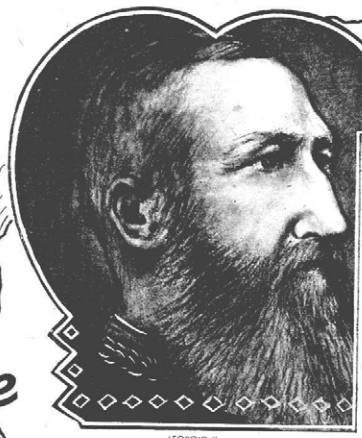
### Searchlight On The Moneychangers

WASHINGTON, D. C.—The Securities and Exchange Commission has issued a new ruling which should have far-reaching effects. Any person who prepares a document filed with the commission is automatically admitted to practice before the commission, and, therefore, is liable for disbarment in the event of improper conduct. Under the new rules, attorneys and accountants no longer have to be admitted to practice before the commission. Obviously, this new ruling widens the jurisdiction of the commission considerably. It remains to be seen whether this additional scope of authority will give the great power this commission as a weapon for discrimination and oppression or for justice and honesty.

* * *

Bourbonnais, Ill.—Once more it is demonstrated that there are more ways than one to "skin a cat." If the Christian churches and schools in America are destroyed by confiscation, it can be done just as effectively as the ruthless burning and destruction in Russia and Spain and Mexico.

St. Viator College of Bourbonnais, Illinois, founded in 1868, will be closed because of threatened foreclosure proceedings by the Massachusetts Mutual Life Insurance Company for a mortgage in the amount of $320,000. Although the curriculum was largely devoted to arts and sciences, the college also trained students for the Catholic priesthood. It seems a pity to abandon these fine old buildings and grounds, dedicated to education, to share the fate of the old California missions.



LEOPOLD II

F. M. STANLEY

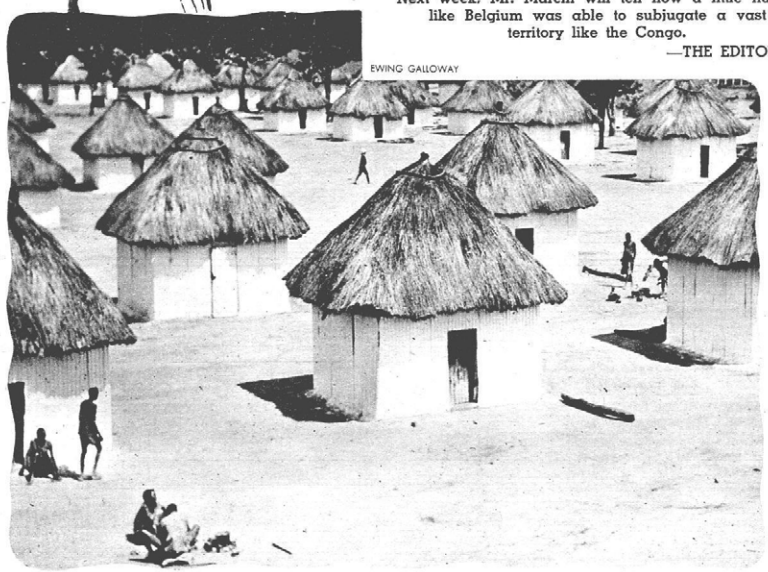
# The Story of The BELGIAN CONGO

by Ben Marcin

**In the great world story of social justice for all, the exploitation of aboriginal peoples by the white races is a chapter that some day will call the modern nations to an accounting. Against that day—which may come much sooner than many now suspect — SOCIAL JUSTICE has been giving to its readers a background of little known facts. The first article in a new series of "Modern History That You Should Know" is presented herewith—The Story of the Belgian Congo. Next week, Mr. Marcin will tell how a little nation like Belgium was able to subjugate a vast territory like the Congo.**

**—THE EDITOR.**

EWING GALLOWAY



**CONGO KRAAL, model native village for Copper Mine Workers.**

THE STORY of the Belgian Congo is the story of two men—one brought up in a palace, the other in an orphanage, and last, but not least, it is the story of the Societe Generale, one of the oldest, joint-stock banks in Europe.

It is the fascinating tale of the man who called himself Leopold II, King of the Belgians, and of the orphan who was known as John Rowlands until he assumed the name of his American benefactor, Henry M. Stanley—the intrepid "Stanley of Africa." It would seem that these two men had little in common, yet both were determined, ruthless, willing to take long chances and both had the gift of vision. They saw beyond today into the vistas of tomorrow, and it was these characteristics that brought them to cross each other's path and travel together.

In the background stood the Societe Generale, ever ready to exploit where profit could be made. This little known company is far more than a

mere banking institution, however, for its tentacles reach into every avenue of Belgian endeavor. Wherever any considerable amount of Belgian capital is invested, whether in railways, steamship lines, plantations, mines, hotels, gold, copper, diamonds, ivory, or rubber, the Societe Generale has its hand in. It was, in brief, King Leopold's instrument in financing the Congo.

SIXTEEN major corporations control all trade and commerce of the Belgian Congo and exploit the colony's natural wealth and the Societe Generale either dominates or has large holdings in every one of these sixteen corporations.

The Societe Generale bears much the same relationship to the Belgian government that the privately-owned Bank of England does to that of Great Britain, only it has specialized in exploitation quite as ruthlessly as the British East India Company under the domination of the House of Sassoon. E. Alexander Powell in his book *"The Map That Is Half Unrolled,"* states that the "Societe Generale is a J. P. Morgan & Company, a National City Bank, a Guaranty Trust Company, and a Standard Oil Company rolled into one."

Any one who can envision the far-reaching ramifications of this combination of corporate interests can well appreciate the extent of the privately-owned and controlled Societe Generale. In fact, it has been observed that no one knows where the government of Belgium ends and the Societe Generale begins.

Geographically speaking, the Belgian Congo is one of the most curious countries in the world, being to all intents and purposes a great inland empire with an area of 910,000 square miles, roughly eighty-eight times the size of Belgium, ten times that of Great Britain, and nearly one-third the size of the United States. It truly covers the heart of Africa.

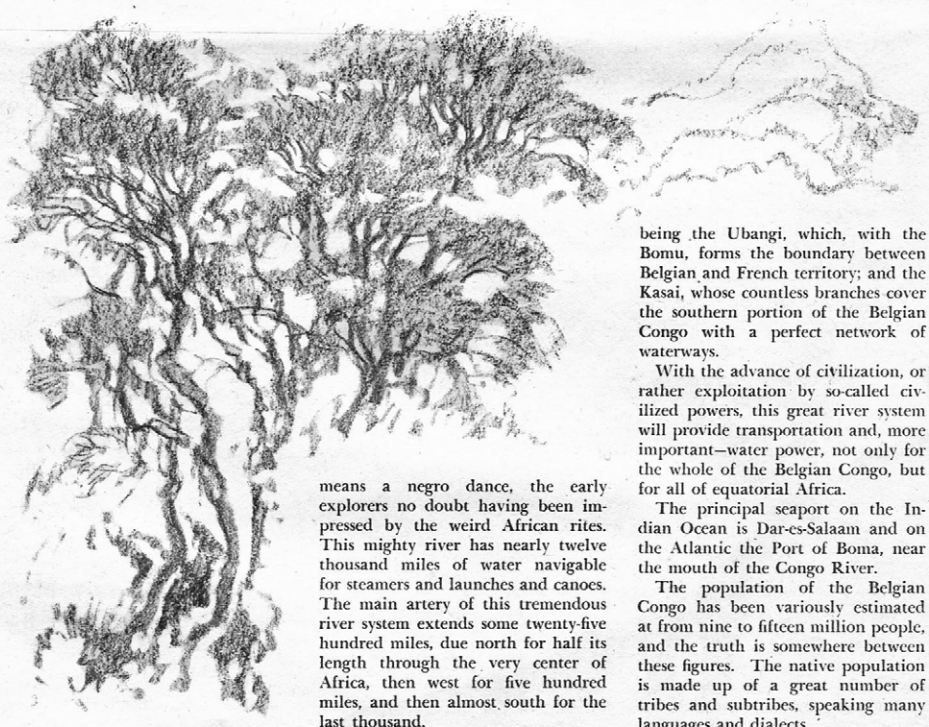
An airplane flying across this immense territory from the great bend of the Ubangi on the northwest to the southeastern corner must cover a distance equal to that from New York to Denver. On the other hand, the traveler who starts southwestward from Lake Albert must journey as far as from the English Channel to the Bosphorus before he reaches the blue waters of the Atlantic.

It is regretable that so few people have a clear conception of this great almost square block of territory known as the Congo and to most, it is little more than a name. Ever since its frontiers were first staked out by the Explorer Stanley only half a century ago, its name has been associated in the public mind with jungles and forests, fevers, cannibals, wild game and extreme heat. Many would be surprised to learn that the basic elements that go to make up the daily bar of soap they use have their origin in the Belgian Congo. The Lever soap monopoly saw to that!

CONTRARY to the popular idea of this land as a low-lying jungle or a steaming equatorial swamp, is the fact that nearly two-thirds of the colony consists of plateaus and highlands, some of them six thousand feet in height. On these uplands is found a cool and healthful climate, similar to that of the temperate zones. The most extensive area is in the northeast, punctuated with gorgeous mountain ranges, virgin forests and plains, and known as one of the finest cattle-raising districts in the whole world.

The greatest copper reserves known to man are in the southeast plateaus known as the Katanga and—you've guessed right – the Societe Generale has it under its complete domination.

**MATADI, one of the most modern cities in the Belgian Congo, on the Congo River.**



Of course, the Belgian Congo has its swamps and lowlands, especially within that territory known as the Great Bend of the Congo, but nevertheless the greatest portion of this territory is quite fit for human habitation and is exceptionally rich in natural resources.

The greatest physical feature is the Congo River from which it takes its name, and the second longest river known to man. The word "Congo" means a negro dance, the early explorers no doubt having been impressed by the weird African rites. This mighty river has nearly twelve thousand miles of water navigable for steamers and launches and canoes. The main artery of this tremendous river system extends some twenty-five hundred miles, due north for half its length through the very center of Africa, then west for five hundred miles, and then almost south for the last thousand.

The Congo is navigable for ocean steamers only as far as Matadi, ninety-three miles from its mouth. From Matadi to Kinshasa, some 250 miles, there is a series of impassable cataracts and rapids. It is a thousand miles from Kinshasa to Stanleyville where the famous Stanley Falls are located, and the river is navigable all this way. Skirting most of these cataracts and rapids now are railways.

This remarkable inland artery of commerce is prolonged for thousands of miles in every direction by several great tributaries—the most important being the Ubangi, which, with the Bomu, forms the boundary between Belgian and French territory; and the Kasai, whose countless branches cover the southern portion of the Belgian Congo with a perfect network of waterways.

With the advance of civilization, or rather exploitation by so-called civilized powers, this great river system will provide transportation and, more important—water power, not only for the whole of the Belgian Congo, but for all of equatorial Africa.

The principal seaport on the Indian Ocean is Dar-es-Salaam and on the Atlantic the Port of Boma, near the mouth of the Congo River.

The population of the Belgian Congo has been variously estimated at from nine to fifteen million people, and the truth is somewhere between these figures. The native population is made up of a great number of tribes and subtribes, speaking many languages and dialects.

The natives of the Congo have no common tongue and the multiplicity of the tribal languages has been a serious barrier to the progress of the country and has been a source of perplexity to the colonial authorities. The principal tongues are the Swahili, the Lingala, and the Baluba. Inasmuch as millions of natives throughout the Katanga and regions bordering on the Great Lakes to Stanley Falls speak Swahili, the government authorities have seriously considered making this the common tongue of the Congo.

# The Way Out

by HILAIRE BELLOC

**Whenever a Determining Number of People Learn of Their Exploitation By a Few Who Control Wealth in Their Own Hands — When Enough People Care — We Will Begin to Make Progress. Reforms Must Be Worked Out, an Immediate Innovation of the Most Desired Reforms Might Create Chaos Worse Than the Endured Abuses.**

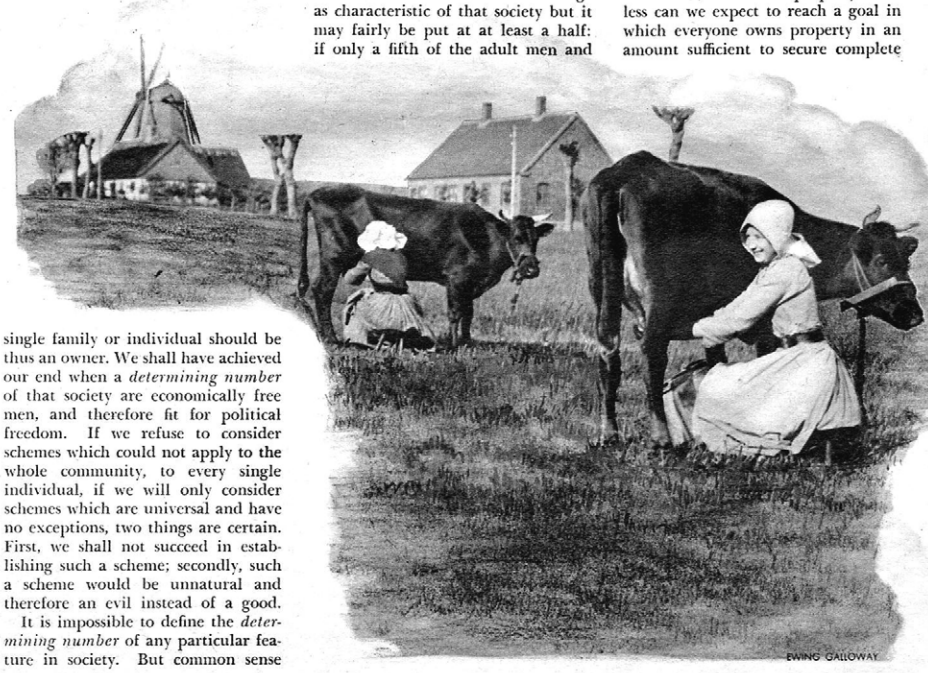
Contentment reigns in Denmark in town and country.

THERE is a very important principle to be recognized in attempting any modern reform: it is the principle of the "Determining Number." In any society any particular institution gives its tone to the whole of that society, not because it is universal, not because it affects *every* citizen, but if it affects a *determining number* of those citizens. For instance, we say that the old pagan society of Greece and Rome, at the moment when it was undergoing conversion by the Church, was a slave society. The slaves were not, perhaps, the majority. There was certainly at least a third of free men even in the worst patches. Nevertheless slavery was the institution which marked that society. Or again, we say of a Christian society that it is based on marriage. Not that every person is married. Counting the children, the celibates, the widows and widowers, there may even be a majority not married; but marriage is the basis of that society, taken for granted, and giving it its tone.

Now, when attempting any great reform, such as the destruction of Industrial Capitalism and its replacement by a society of economically free men who own the materials with which they work, we can hardly expect to create a society in which every single family or individual should be thus an owner. We shall have achieved our end when a *determining number* of that society are economically free men, and therefore fit for political freedom. If we refuse to consider schemes which could not apply to the whole community, to every single individual, if we will only consider schemes which are universal and have no exceptions, two things are certain. First, we shall not succeed in establishing such a scheme; secondly, such a scheme would be unnatural and therefore an evil instead of a good.

It is impossible to define the *determining number* of any particular feature in society. But common sense easily enables us to judge whether the *determining number* has been arrived at, even though it be not precisely enumerated. For instance, if, in a small town of a thousand households, murder is committed in a hundred of them every year, we are right to regard that town as murderous. Although there is not a majority, to have so large a proportion of so exceptional a thing as murder is quite enough to determine the character of the town.

If, on the other hand, the thing of which we are talking is normal to man instead of being, like murder, abnormal, then we require a very large proportion to establish a determining number. Clothing is normal to man. If even a small proportion of the community go naked, the rightful determining number is not reached. Marriage is normal to man. You cannot say precisely out of a million adult men and women how many should be married in order to establish the institution of marriage as characteristic of that society but it may fairly be put at at least a half: if only a fifth of the adult men and women in a community at any one time were married or had been married, we could fairly say that marriage was not an institution marking that community.



EWING GALLOWAY

NOW it is the same with the all-important institution of property, without which there can be no true citizenship and no full freedom. We can not expect, however active we are in our reforms and however successful, to reach a society in which every single family, or every single adult individual, will own property: still less can we expect to reach a goal in which everyone owns property in an amount sufficient to secure complete freedom; but we can expect and should aim at setting a determining number of owners; and that will be a result sufficient for the normal working of a contented humanity. What the exact proportion may be no one could say, but common experience soon teaches us whether such and such a society is based on well-divided property, giving its tone to the whole community, and not defaced by exaggerated extremes of wealth and destitution. Denmark is such a society today, and the Catholic part of Ireland is rapidly becoming such a society. On the other hand, England is an extreme example of the opposite.

Next let this be remembered, that before we reach our aim of producing a determining number of owners, that is of free men, you will have to pass through a stage in which the proportion is not yet that of the determining number, but is only pointing towards it. It is essential to envisage the gradual character of any change of this sort. We shall re-establish property by just laws and by good social and legal machinery for its erection and preservation, but we shall not re-establish it all at once; and any scheme proposing to do so bears the mark of futility and folly by so doing.

The change from a capitalist, that is a proletarian society, to a society of free men owning the instruments of their livelihood, must come by successive steps of immaturity and peril, during which the old forces of competition and greed and insecurity will continually threaten its further advance. But having passed a certain stage it will continue to develop and to form more and more citizens in its own image. That is what happened

*Continued on Page* 14

# Bonanza Banking

*by* **Robert H. Hemphill**
*National Financial Authority*

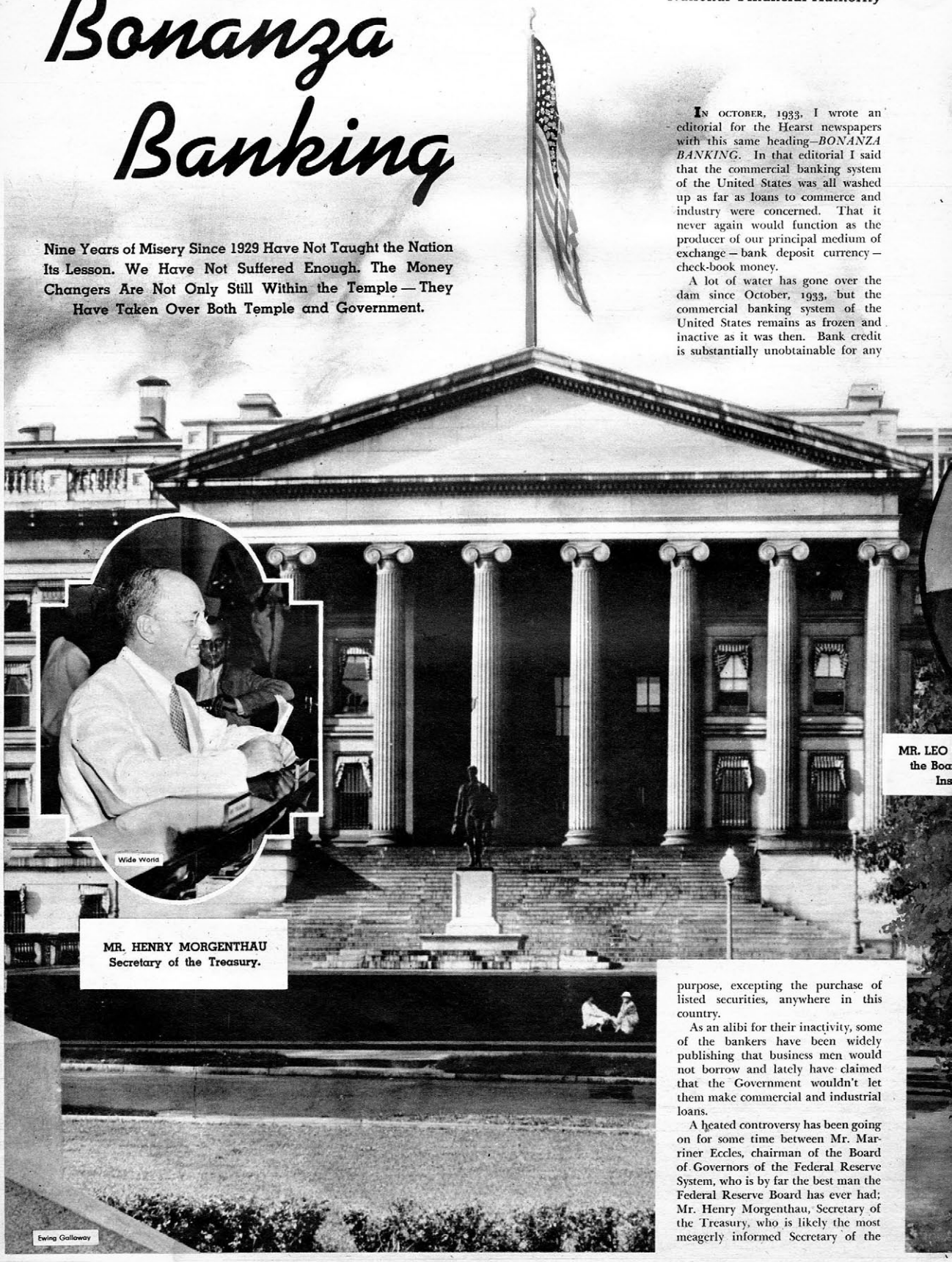
**Nine Years of Misery Since 1929 Have Not Taught the Nation Its Lesson. We Have Not Suffered Enough. The Money Changers Are Not Only Still Within the Temple — They Have Taken Over Both Temple and Government.**

IN OCTOBER, 1933, I wrote an editorial for the Hearst newspapers with this same heading—*BONANZA BANKING*. In that editorial I said that the commercial banking system of the United States was all washed up as far as loans to commerce and industry were concerned. That it never again would function as the producer of our principal medium of exchange — bank deposit currency — check-book money.

A lot of water has gone over the dam since October, 1933, but the commercial banking system of the United States remains as frozen and inactive as it was then. Bank credit is substantially unobtainable for any purpose, excepting the purchase of listed securities, anywhere in this country.

As an alibi for their inactivity, some of the bankers have been widely publishing that business men would not borrow and lately have claimed that the Government wouldn't let them make commercial and industrial loans.

A heated controversy has been going on for some time between Mr. Marriner Eccles, chairman of the Board of Governors of the Federal Reserve System, who is by far the best man the Federal Reserve Board has ever had; Mr. Henry Morgenthau, Secretary of the Treasury, who is likely the most meagerly informed Secretary of the



Wide World

MR. HENRY MORGENTHAU
Secretary of the Treasury.

MR. LEO
the Boa
Ins

Ewing Galloway

Treasury in the history of the nation; and Mr. Leo T. Crowley, chairman of the Board of the Federal Deposit Insurance Corporation, who is, I believe, a good insurance executive.

Mr. Eccles wanted the rigid bank examination rules relaxed so that the commercial banks of the country could lend some of the potential credit which is represented in their excess reserves. Mr. Crowley did not want the banks to create demand credits that he is very well aware the banks can not pay in cash if called upon. Mr. Morgenthau doesn't know what it is all about but likes to make the front pages, which he would never have had an opportunity of doing except for the incredible accident which landed him in the Treasury. What he doesn't know about money and banking would easily fill the *Encyclopedia Britannica*.

In this particular instance, however, Mr. Crowley and Mr. Morgenthau are right and Mr. Eccles is wrong. Mr. Crowley is right because he wants the banks to have the money they owe their demand depositors in actual cash or something instantly convertible, such as United States Bonds.

Mr. Morgenthau is right by sheer accident and because he listens to his friends among the Jewish International Bankers in New York who are the only financial people he has ever known, and these international bankers, who are somewhere in the background of the New Deal, are playing some deep game with this country, which involves curtailment of production, and they would like to prolong this depression for some time yet. They know only one method of doing that — by making money or bank credit scarce.

Mr. Eccles is wrong because he still thinks the banking racket is a legitimate business and would like to see the banks create some more imaginary money regardless of the fact that he knows very well that we would have another depression some time in the future when the banks tried to collect their loans.

*Prosperity which is built upon bank loans must necessarily cease the instant these loans are called.* We simply go back to the point we started from. One ought not to have to be a monetary expert to grasp that simple proposition. If we are doing business on a medium of exchange that is simply loaned to us, we certainly cannot do business when it is called out of circulation.

That is the fundamental loose screw in our economic machine. If business is to continue uninterrupted, whatever medium of exchange we use must certainly remain permanently in circulation. There can be no argument about that, can there?

It is the loose screw in our economic framework and the loose screw in the economics of all civilized countries. Because of the fluctuation in the amount of this check-book money available for the transaction of business we have alternate periods of expansion and prosperity followed by contraction of business, with all the suffering and distress which accompany the contraction of business.

The principal reason business men as a rule do not understand this situation is that the whole proceeding is secret—unpublished. The individual banks give out for publication whatever news they think the public can absorb without getting wise to their amazing racket.

We ought to know the total of the checking accounts of the nation at least once a week. If this amount showed a constant increase, anyone could view the future with confidence and lay his plans for expansion with the certainty that his business would increase in direct proportion to the increase in this medium of exchange, and vice versa.

We have these total figures only twice per annum (June 30th and December 31st) and then they are published four or more months late—about five months late this year. No one except a few monetary students ever sees these consolidated statements of all banks of the nation.

If the single item of demand deposits in all banks was collected and published weekly, we would have no need for all the other elaborate business indices which occupy so much space in the financial pages of the newspapers. General business expands and contracts in exact proportion as demand deposits expand or contract, and demand deposits are nothing more nor less than the banks' loans to their customer-borrowers credited to their checking accounts as deposits —strictly imaginary money—but the business of the whole nation is transacted with this imaginary money.

OUT OF THIS controversy between Mr. Eccles, Mr. Morgenthau, et al, has come new banking rules, which under liberal interpretation will allow the commercial banks to lend the synthetic money they create on about anything one can bring in the bank's front door. Small companies who are now unable to obtain any bank credit, and who in normal times could not borrow for a longer period than a very few months, may now issue bonds up to ten years maturity and sell them to the banks. It is simply a long-term loan tied up in a different package. First mortgage bonds will simplify foreclosures by the banks.

I am uncertain whether this relaxation of the rules of "conservative banking," whatever they may be, will increase bank loans to any substantial extent, for the reason that when a bank makes a loan of its potential credit, however secured, and sets that credit up on its books as a deposit, it is creating a demand liability—a promise to furnish actual cash to the full extent of the synthetic deposit. This is an absurd agreement. It is impossible for the bank to fulfill, as the borrower-depositor and everyone else knows. Building up our business activity on a fund of this kind is just paving the way for another inevitable collapse.

I am very greatly disappointed in Mr. Eccles. If he were as ignorant of monetary science as his predecessors have been, his policies would be understandable. But he is not. He knows that our repeated depressions have been no more than the collapse of the unsound credit structure which our commercial banks have periodically built up. He knows that prosperity founded upon commercial bank loans cannot last beyond the term of payment of these loans, and that the loans once made cannot be paid—that the effort of the banks to collect these loans brings on depressions and wrecks the banks along with the whole business structure.

The only explanation for his policies I can find is that he is said to be heavily interested in a number of commercial banks and it may be that he is willing to prostitute his knowledge to give the banking racket a further lease of life, knowing full well that it means only temporary relief and does not replace the defective cog in our economic structure.

I am, of course, tremendously anxious for this nation to emerge from this wholly unnecessary depression, but if we are to do that by laying the foundation for another—if we are just perpetuating the mechanism which has caused all former depressions, then the uncomputable cost of these last nine years of unparalleled suffering will have been in vain. Former depressions have occurred because of the ignorance of our law and financial policy makers, but the next one will not be. It will be due, very largely, to the conscious wilfulness and self-interest of Mr. Mariner Eccles.

If the press reports of the new rulings are correct, and if banks respond to the new rules, it is possible for us to recover as rapidly as production can be stepped up. I would guess that it may be nearly as fast as we recovered from the panic of 1921. We can't duplicate that recovery, for we have not the trained skilled workers, but we can recover very rapidly and we are certain to have a period which will put to shame the 1926-29 period of wild speculation — no power on earth can prevent that, and then will come a collapse of the credit structure which produces the synthetic money —bank deposits, and wholesale foreclosures, and the bulk of the wealth created by genius and labor during the short period of activity (and it will be short) will automatically pass through the bankruptcy route into the hands of the entrenched classes who control the commercial banks of the nation.

I DO NOT believe this Republic can survive another depression. These last nine years have been productive of more cock-eyed philosophies than were developed during the previous history of civilization. It will take us a good many years to untangle the haywire legislation already on our books.

The people of this nation, who are ordinarily sane in their ultimate judgments, have been told so repeatedly in various ways that they can get something for nothing from the Federal Government, that it will take some time for them to realize that *all the Government can do is to return to them the money they pay to the Government, less a large fraction which is always deducted to maintain, in idleness and luxury, a horde of politicians and their families and friends.* The people will have to learn this simple truth, however, and just how costly and what bitter experience will be necessary to teach them, I am unable to estimate. It is not going to be simple, and it may well be a heart-breaking experience with tragic ramifications which are difficult to visualize.

If the sorrowful nine years of misery we have had since 1929 could have taught the nation that almost all our social and economic troubles come from the private control of money—the lifeblood of trade and commerce —future generations might have profited sufficiently to justify our suffering. But it now is evident that it is not to be. The predatory bankers of the nation are in just as complete control of the Government as they were when President Roosevelt announced that he was going to "drive the money changers from the temple."

The money changers have now taken over the Temple, together with the Government!

ROWLEY, Chairman of
f the Federal Deposit
ıce Corporation.

MR. MARINER ECCLES, Chairman of the Board of Governors of the Federal Reserve System.

## THE WAY OUT

*Continued from Page* 11

when society was converted from the pagan to the Christian mood. Even when there were Christian emperors governing the world, the Christians were still a smaller body than their opponents. It took a full century for the tide to turn sufficiently for a majority to be present on the Christian side, counting together the East and the West. It took at least two centuries or more before the mass of men in the Roman Empire were Christian.

WE MUST not hope to proceed very rapidly, although we shall need to strike root vigorously in the first stages of the affair. When a considerable body of economic freedom has been established, that body will demand laws preserving such freedom and further transforming capitalism into free conditions. What had been exceptional will become more and more normal in the eyes of onlookers; but the exceptions will survive. It is probable that, even when we have a society deeply colored by the institution of well-divided property, even when we have the great mass of families and individuals owners of their means of livelihood and therefore free men, we shall still have attempts at re-starting capitalist experiments and we shall certainly have what is inevitable to all human movements, strong reactions impeding the advance of the good thing.

It is important to remember all this because nearly all those who come forward with false schemes for *finding a Way Out* of our present grievous troubles promise speedy, or even immediate, results, expect them, and therefore prepare men for inevitable discouragement.

No; the way we must set to work is the way in which every movement that has succeeded has gone to work. We must form "cells,": we must make experiments in ownership, corporate and personal. We must go through a long period of preparation by argument and by making people familiar with the saving ideal of well distributed property till they are no longer ready to tolerate the bad opposite of a few owners controlling a mass of non-owners.

What is more, all such transitions involve continual compromise. Not compromise on principle, but on means of action. If, for instance, you were to sweep away the chain stores and the department stores in one moment, you would create masses of unemployment. If you were to restrict competition as fully as it should ideally be restricted and to impose such restrictions suddenly on the existing machinery of social life, there would be chaos.

That is even true of the destruction of monopoly. Monopoly in private hands is an evil thing. Where it is unavoidable it must, as we shall see in a later article, be put into public hands. But if you were to strike suddenly at all existing monopolies, violently and without discrimination, you would certainly do more harm than good, and, what is more, you would probably ruin your chances of reform altogether.

All this is by way of explanation, so that we may understand the task that is before us in seeking our escape from the economic misfortunes of the modern world.

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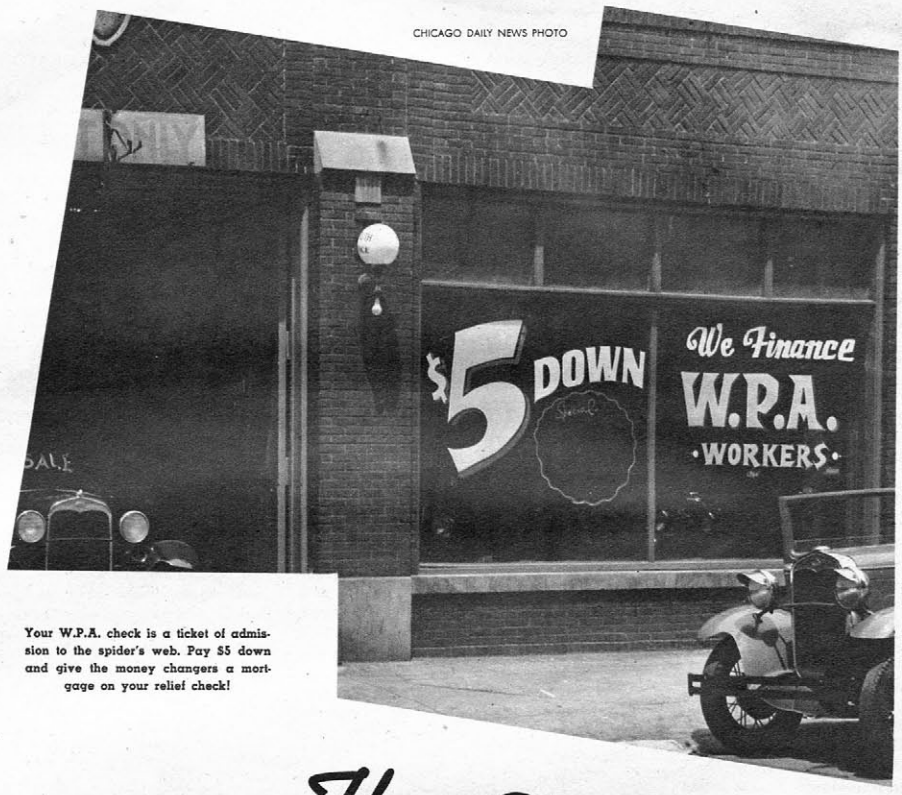
CHICAGO DAILY NEWS PHOTO




**Your W.P.A. check is a ticket of admission to the spider's web. Pay $5 down and give the money changers a mortgage on your relief check!**

# The Catch in

**A charge of $30 for a $100 loan would be Usury and courts would reject the contract. Yet an instalment purchase of a $100 article not only permits the $30 "charge," but entitles the seller to take back the article even if only $10 remains unpaid.**

**The man who has made three payments on an automobile must complete all the payments, even after the car has been taken from him. That is the law.**

**SOCIAL JUSTICE herewith presents another revealing article in its series on Uncontrolled Credit Abuses by Judge Gillis of Detroit. A forthcoming article will outline some of the suggested legal reforms.**

**—THE EDITOR.**

Every one is aware of the phenomenal growth of the instalment plan of purchasing merchandise. I believe many of the credit houses prefer the more dignified term of "deferred payment plan." Some claim that it has been a wonderful thing for the country in that it has raised the standard of American living and made it possible for people to own and possess automobiles, electrical equipment, radios, furniture, iceless refrigerators and other modern appliances that would not be available if they had to be purchased for cash.

I agree with these views and am well aware of the benefits of this plan of merchandising. The majority of business houses selling on the instalment plan conduct their business in a perfectly legitimate manner with a high regard for their responsibilities and their standing in the commercial life of the community.

It is a fine thing that a newly married couple, wishing to establish a permanent home, can get a complete houseful of furniture, pay for it out of current income and enjoy the use of it. Otherwise, they would have to live in furnished rooms or other undesirable quarters until they could save enough money to purchase the necessary furniture for cash, which time might never arrive. This is also true in the sale of clothing and other necessities.

I wish to emphasize that I am in no way attempting to indict instalment buying in its entirety. However, the experience that I have gained in listening to several thousand tales of instalment selling with vicious methods of collection and no restrictions or regulations, has led me to believe that the abuses that have developed have more than off-set the benefits derived from this system.

AT the turn of the twentieth century, the sale of pianos, sewing machines, books and a few other goods on the instalment plan had been well developed. There was also a comparatively small number of sales made of clothing, furniture, farm machinery and household implements. However, shortly before and immediately after the World War, the sale of automobiles on the time payment plan and its subsequent phenomenal growth stimulated the sale of practically every article used by the human family. Manufacturers and merchants, in keen competition with each other, have developed this plan to the nth degree. Able lawyers have drawn various types of contracts containing clauses that give the seller security in the way of a title retaining contract, chattel mortgage, conditional sale or some form of lease. Additional clauses force the purchaser to waive certain of his rights in case of forfeiture or default. Attractive advertising and super salesmanship have over-emphasized the ease with which these articles can be purchased. Great emphasis is laid on the smallness of the down payment or "no down payment." The vast amount of this type of selling has naturally led to great development in the financing field and the enforcement of the payments created by the instalment contract.

One form of security is a mortgage on the article purchased with a provision that if the purchaser defaults in a payment, the article can be repossessed, sold at auction at a private or public sale, and if the proceeds from the sale are not sufficient to pay off the obligation, then the purchaser will have to make up the deficiency.

# Instalment Buying

*by Judge Joseph A. Gillis*

**Conciliation Division, Court of Common Pleas, Detroit, Michigan**

For example, a customer might purchase an article which would normally sell for $100 and sign a contract to pay $130 in twelve monthly instalments. He might make one, two or three payments totalling $30 or $40, and then default; the article would be seized and sold for $30 and the purchaser would then be liable for the balance due under the note.

Sometimes the article would be sold back to the dealer again and he would proceed to sell it as a new article, or as a floor sample, or as re-possessed goods, depending on the amount of depreciation which had taken place while it was in the possession of the purchaser. In many instances, after the purchaser fails to make payments when due, fines or extension charges are added to his contract, or he is inveigled into a re-financing contract.

A GREAT many contracts of this type are sold by the dealer to finance companies without recourse. That is, when the dealer discounts his note to the finance company, he is completely severed from the contract. The worries of collecting on the contract now belong to the finance company. The dealer has his money just the same as if he had sold the article for cash. In the larger cities, many dealers do not attempt to build up trade by keeping their customers' good-will, but are content to get them for a single transaction without regard for the difficulties the customer will have in meeting the obligation he assumed. Thus little or no attempt is made to check the financial responsibility of the purchaser or his ability to pay.

In fact, I have seen hundreds of instances in which the merchant has actually talked the customer into signing a greatly exaggerated credit statement which the merchant knew, even better than the customer, was false and misleading. Where the customer is working in an industry that has seasonable employment with highly substantial pay for a limited time with periodical lay-offs, the merchant will take his highest pay over a period of a few weeks and then call that an average for the year.

I have seen hundreds of cases *where people have obligated themselves for periodical payments that exceed their income*, leaving nothing for such mere incidentals as rent, food, clothing and medical aid. At first glance, one might agree with the attorneys of a great many of these instalment houses that the fault lies entirely with the purchaser; that he is the one who should know best his own condition; that he entered into the obligation with his eyes open and he has stated that he could meet the obligation.

One must realize, however, that the purchaser has only a limited knowledge of the merchandising field, and that the opposite side, driving the bargain, is an individual connected with a firm that specializes in merchandising. They have the full facilities of experienced and well trained advertising men. They have developed catchy slogans and phrases designed to trap the unsuspecting buyer, unskilled in meeting high pressure selling. The salesman and the credit department know exactly their rights and obligations under the contract that is signed, while the purchaser is blinded by the enchantment and allurement of the new goods. In the majority of cases, he is rushed into signing the contract without reading it and in fact his only concern is securing the goods and "enjoying the use of the article while he pays for it."

It is in paying for the goods that the purchaser runs into difficulty. When he is unable to meet the payments, he discovers that instead of dealing with the local merchant and his amicable salesman, he is dealing with the representative of a financing or discounting corporation. He is then reminded that he has entered into a solemn contract; that he has signed certain obligations and that the finance company possesses certain rights under that contract. When he is temporarily laid off, or some unforeseen circumstances upset the family budget, he realizes that all the printed matter he signed contained various obligations to which he bound himself.

IT IS HARD for the purchaser when he gets into default to realize that it is possible for the merchant or the finance company both to "have their cake and eat it too." He cannot understand how the finance company can re-possess an iceless refrigerator that he purchased for $220 and on which he owes only $12, having paid $208 together with certain delinquent charges. He cannot understand why he would not at least secure a refund or why the law will not grant him an extension until he gets back to work in a few weeks.

He cannot understand why a radio that he purchased for $100 can be sold two or three months later, at a re-possession sale, for $10 or $15, and he is then forced to pay a deficiency of $60 or $70—especially when the radio at the time of re-possession was practically as good as when he purchased it.

It is difficult to explain to a purchaser who has lost the used car that he purchased and still has to pay $250 or $300 in addition to his down payment and the one or two payments that he made. He knows that a three or four year old automobile suffered little or no depreciation over a period of two or three months and yet under the contract which he signed and which is enforced in our courts, he finds himself paying from $100 to $300 in addition to the money that he has already put in the car. He also discovers that the new tires, the heater and the radio that he purchased seemed only to add to its depreciation.

I have faced thousands of these customers who are paying deficiency judgments on automobiles and while I may attempt to give the legal answer to such a condition, I have never been able to explain the moral justification of such a cause of action.

IT is paradoxical that the strong, influential and wealthy get the maximum benefits and service from the merchants from whom they purchase goods. In fact, in many instances, they get much more than they are entitled to as the type of merchant from whom they generally purchase has as his slogan, "the customer is always right." Even though that merchant knows that the customers are putting something over on him when they exchange their purchases or file a claim for a refund or adjustment, to which they are not entitled, he will invariably still go along on the theory that "the customer is always right." A certain percentage of this class even demand and get special privileges by making their purchases at wholesale rates, or are granted special discounts because of their connections or standing in the community, while their more unfortunate brother has to pay an excessive price together with instalment or interest charges. The type of business house that indulges in high pressure selling has no slogan like "the customer is always right," but on the contrary, adopts the theory of the Great Barnum, "There is one born every minute," or that of the late Texas Guinan, "Never give a sucker a break."

The "small man" has the same desire for the better things of life as his more fortunate brother, but, in too many instances, he is exploited because of his helpless condition. Society and business seem to take care of the more fortunate already blessed with worldly goods while they pay little or no attention to the weak and helpless. Society, the State—you and I—have stood idly by and permitted this condition to exist.

I make this statement advisedly and I am expounding no idle theory. It is based upon the experiences I have gained in the personal handling of over 63,000 court cases of individuals who are in debt and where judgments have already been obtained, and also in listening to tales of even a larger number of debtors who are not in court but who are being exploited through the *laissez faire* legislatures, courts, bar and business associations.

True, Better Business Bureaus, supported and sponsored by the better type of business houses have restricted false advertising and have done a good job as far as they have gone. However, they will be the first to admit that there are a number of commercial firms and finance companies whose chief source of revenue is derived by exploiting their customers through high pressure selling, dishonest contracts, vicious collection methods, and who have no regard for decent business ethics.

MANY of these business houses and finance companies with which they are affiliated are not actually engaged in any merchandising but are rather engaged in the business of loaning money at usurious rates of interest. A customer who wished to purchase a $100 article and had no money could not legally go to a finance company and borrow $100 and pay $30 interest for the use of that $100 over a period of a year because that would be usury and the interest rate of some 40 per cent or 50 per cent could not be enforced in our courts.

Instead, the man goes to a store and selects a $100 article and signs a note or contract, agreeing to pay $130 over a period of twelve months. The dealer, who is already supplied with notes and mortgages by the finance company, discounts the contract for $100 and the finance company proceeds to collect the $130. If the customer makes any complaint about the transaction to the dealer, he is promptly told that the matter is "entirely in the hands of the finance company." When he takes his complaint to the finance company, he is just as promptly told that they are not "engaged in the business of merchandising but are in the finance business" and they are "holders in due course" of his negotiable instrument and that he must pay.

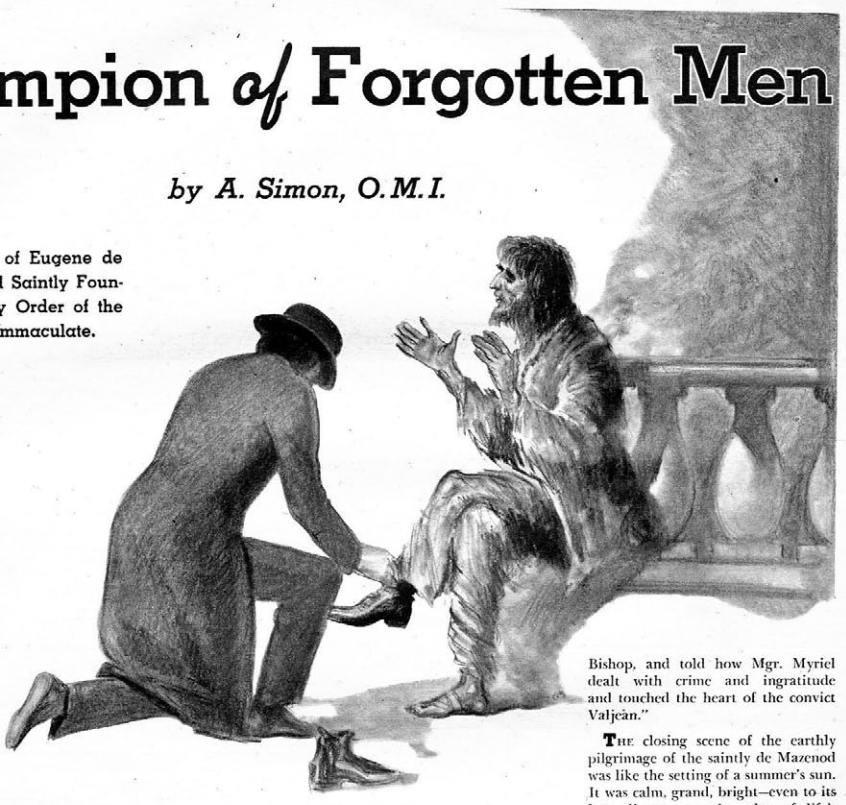
*I have never been able to classify this transaction as anything but an usurious interest contract.* This type of dealer and finance company combination, especially in automobile financing, have indulged in legal fictions in maintaining their respective positions. The finance company has already contacted the dealer before the sale is made. He has supplied him with notes and mortgages and a chart from which he can figure how much must be added to the actual selling price. The insurance, such as it is, must be placed through the finance company and they generally have a blanket policy with some insurance company so that they can derive an additional profit from the premium that is to be charged.

That these abuses must be corrected is a foregone conclusion. Unless these companies themselves act to clean up the situation the states through their legislatures must do it for them and they are not likely to be treated very gently. In a later article I hope to tell you what has been done along these lines already and something about my ideas on remedial legislation.

# Champion of Forgotten Men

*by A. Simon, O.M.I.*

**A brief Biography of Eugene de Mazenod, Bishop and Saintly Founder of the Missionary Order of the Oblates of Mary Immaculate.**



## CONCLUSION

If we would know Eugene de Mazenod we must read his soul, his heart; the word of encouragement, of hope, of comfort given to one and all who came to him; the explosion in holy anger or just indignation of his temper and character, characteristically Provencal; his lively faith, his unwavering hope in God; that mortification and penance from the age of 12 until his death, that urged him in expiation of his sins, he said, and of the sins of those committed to his charge, to rival the austerities of the saints of God; his love of poverty.

On one occasion his tailor refused to mend further the Bishop's cassock reminding de Mazenod that he had worn it for seventeen years! As Bishop he not infrequently served the Mass of the youngest priest at the Bishop's House. Once, on a journey, he waited until 4 o'clock in the afternoon to say Mass. He fearlessly championed the rights of the Church and of the Holy See. His love for the congregation he founded and directed, his zeal for souls, but especially his love for the poor were immeasurably great. All this, and much more was de Mazenod.

But above all he loved the poor and the unfortunate. "The poor are dearer to me," said this son of a long line of the French nobility, "than the rich and powerful of this world."

One day he met a beggar. Noticing that the man had no shoes, the Bishop removed his own, gave them to the beggar and walked home barefoot.

Four times the cholera ravaged his diocese during his episcopacy — in 1834, 1837, 1849, 1854. The Bishop personally administered the sacraments to the poor and the unfortunate in home and hovel and hospital.

He knew that adults were shy about receiving confirmation, even though the revolution and the subsequent upheavals were the cause of so much neglect in matters spiritual. Therefore, every Monday the Bishop confirmed adults privately in his chapel. He went to the prisons, to the barracks, to the homes of the poor, to the theater even to administer the sacrament of confirmation, and in this manner during his life confirmed some 25,000 adults.

On one occasion, at the close of a mission given in a prison, two men were baptized, six were confirmed; 45 all told received Holy Communion at the Bishop's hands. After the Mass he had breakfast with the men and asked the prison authorities for permission to give these men a glass of wine.

In 1837, Bishop de Mazenod went to a town called Gap to administer the Sacrament of Confirmation. He learned that in prison there was a man sentenced to be executed. The clergy were prepared to hear his confession but refused him Holy Communion. Bishop de Mazenod was indignant. He asked to be admitted into the prison. He spoke to the condemned man, who yielded to the words of love that flowed out the Bishop's heart into the sinner's. The criminal made his confession and prepared for death.

The next morning the Bishop himself said Mass in the prison chapel—a thing unheard of. Near the altar knelt the condemned man, in chains. Bishop de Mazenod addressed a few fatherly words to the unfortunate man and gave him Holy Communion.

A lawyer, notorious in Marseilles for his many-sided wickedness, refused all priests who came to see him. The bishop went himself, and converted him. A girl of 12 was dying in a brothel. The Bishop, with two companions, went to see her and did all he could, to bring her to repent. De Mazenod learned about a woman who had not left her house in forty years. Partly paralyzed and, for twenty years, also deaf, she had somehow managed to keep herself and her father alive. She blasphemed God and cursed men. The servant of God went to see her. At first all attempts to help her were rejected. De Mazenod did not lose patience. He extended his hands over her and prayed. Suddenly she broke into tears, lifted her eyes towards heaven and at long last began to pray again.

One day in 1842, on one of the ships in the port of Marseilles, a group of men was gathered around three men engaged in a heated quarrel. Bishop De Mazenod happened by and inquired after the cause. He was told that a poor fellow had lodged at an inn, and departed not only without paying for his lodging, but also with some of the inn's movables. The innkeeper wished to seize the traveling bag of the poor wretch and to turn him over to the police.

"How much do you owe?" asked the Bishop.

"Eighty francs," said the thief.

The Bishop chided the innkeeper for so abusing the poor fellow, and taking five pieces of gold from his purse, he handed it to the thief saying: "This will suffice to pay your debt. Send these men home."

Sir Blennerhasset, Inspector of Reformatory Schools, King's County, England, wrote: "Had this remarkable man, Bishop de Mazenod, lived before the *'Divina Comedia'* was adumbrated, he would surely have had his place in the *'Paradiso.'* His panageric, however, has been composed by one of the greatest poets of our age, for the figure of Charles de Mazenod was present to the mind of Victor Hugo, when in the opening chapters of the "Miserables" he drew his famous portrait of the ideal Christian Bishop, and told how Mgr. Myriel dealt with crime and ingratitude and touched the heart of the convict Valjean."

The closing scene of the earthly pilgrimage of the saintly de Mazenod was like the setting of a summer's sun. It was calm, grand, bright—even to its last glimmer on the edge of life's horizon. He had to endure an intensity of bodily pain for several weeks, but his mind was all the while unclouded and his play of holy thoughts and feelings, and his kindly word and look, were free and active as before.

One day, during this last illness came a letter from one of the foreign missions of the Order. The Bishop asked whether the letter was on subjects of piety or business; learning that it was of the latter nature, he said, "Then it does not concern me, my only business now is to prepare for a good death."

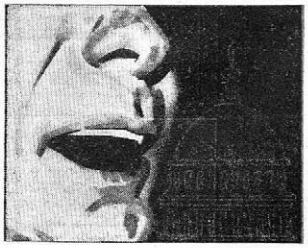
"My Lord," said one of the Fathers, "in what terms shall we speak of your last moments to our brethren who are absent?"

"Tell them," he replied, "that I die in peace—that I die consoled by the thought that God has condescended to use me as an instrument in founding, in His Church, the Society of the Oblates."

"My Lord," continued his interlocutor," "confer on us the favour of disclosing to us the chief wish of your heart in our regard."

Then the dying servant of God, fixing a glance of paternal tenderness on the Oblate Fathers who were at his bedside, said, "The chief wish of my heart in your regard is that you practice with fidelity, charity—charity—charity towards one another, and that in your exterior works you exercise zeal for the salvation of souls." He received with faith and piety the Apostolic Benediction which was forwarded to him by the Holy Father, Pius IX.

Seventy-five years after the saintly founder's death, on January 15, 1936 Pope Pius XI affixed his signature to the document introducing at Rome the cause for the beautification and canonization of the Great Champion of Forgotten Men, Eugene de Mazenod.



# "Will the Gentleman Yield?"

## Use Nation's Credit Instead of Paying the Bankers

By HON. CHARLES G. BINDERUP
Representative from Nebraska

I HAVE NOT yet made plain the plan for 100 per cent reserves back of demand deposits. So I will again explain in just a few words. Today, the 15,000 banks in the United States have just about enough cash stored in the Federal Reserve bank vaults and Government bonds on hand to balance with 100 per cent reserves back of demand deposits. Now, as this cash belongs to the demand bank depositors, it is the people's money, and the bonds have all been bought for the cash also belonging to the depositors, payable on demand, so these bonds also belong to the people.

Our bill for Government monetary control virtually says to the banks: "You have failed 27 times and deprived the people of billions of their hard-earned money and bankrupt the nation, but we know it was not your fault individually. It was caused by a rotten, corrupt banking system. Now, we do not want to work the slightest hardship on you banks. We recognize the importance of banks in every city, town and hamlet to expedite the speedy exchange of money and credit, but we will just hold the people's deposits in our 12 regional banks. Now, by this bill, sub-treasuries of the people can keep right on checking as always. We just hold the cash for you, as was the original intention, and as we take over this money and bonds we release you entirely from any personal liability to your demand depositors, and we now assume this responsibility.

"You can make a service charge for handling checks as you ought to and as most banks do now. Your banks are not now getting any interest on this money stored in bank vaults belonging to the people, so you lose nothing by letting your Government store it for you and you can continue drawing the interest on your depositors' bonds until they are due, but when due we will continue holding these bonds as you received payment in full when we assumed your liability to your depositors. There has merely been a switching of credits. That is what we call a fountain-pen deal. These bonds were originally bought with fountain-pen money and they are now paid in the same way, with fountain-pen money. Just a switching of credits, and when the bonds are due, well, all the difference it will make is that we will just quit paying you interest on the bonds, and you could not expect any more. You are now holding about fifteen billions of these bonds that you bought for the people's money that we will take over, so automatically, as these bonds are due, they are paid or held by the people in their own Federal Reserve banks. So, we will just burn up these bonds and there will remain in the 12 Federal Reserve banks the people's credit that we, the people, will continue checking on and there is nothing new about this. Ninety-seven per cent of our money has been check-book money for years. The only difference is that now you check on Uncle Sam's credit where formerly you checked on the bank's credit, and there is another difference, too. Now you are paying the banks $1-billion a year for checking on their credit and checking on the nation's credit through your banks as always, but based on Uncle Sam's credit is not costing a cent. And thus the nation assumes its own debt and the terrible indebtedness of the nation that has been a nightmare to so many of us is wiped out with a fountain pen."

And not a soul in the nation would say one word against it. Not a soul has been wronged and not a soul has lost a cent, and the people have gained almost $40-billion, and saved $1-billion a year in interest. But someone will ask, how about the bonds that the banks are not holding? How will we pay these? Well, all bonds held outside of the banks will gradually be syphoned in through the banks, for as we retire bonds when due the banks can buy bonds from Tom, Dick and Harry, as under our monetary bill the banks may hold the same amount of bonds to their credit in our Federal Reserve banks as they have when this bill is passed, and as the banks would rather hold bonds, drawing interest, than cash drawing no interest, their quota will always be held full until the entire amount of United States bonds are due and paid. And the nightmare of our public debt shall have vanished like the dew before the summer sun. And there shall be no more booms and depressions. There shall be no more bank failures, no more worry about losing a little money laid aside for old age, and it shall be the morning of a decent, honest, and righteous monetary system, and the people shall be supreme and their banks shall enjoy a great and lasting prosperity, with agriculture and industry. Yes, truly the pen is mightier than the sword.

## Annual Farm Income Goes Still Lower

By HON. CLIFFORD R. HOPE
Representative from Kansas

I WANT to call attention to the low income of agricultural producers. I have in my hand a report which is gotten out by the Department of Agriculture every year showing the average annual incomes of the owner-operators of farms throughout the country, north, south, east, and west. This report for the year 1935, which is the latest year for which these figures are available, shows that after making the payments which a farmer has to make for his operating expenses, his average receipts were $552 per year. Now, this is not your poor tenant farmer; this is the average for farmers who operate their own farms throughout the entire United States.

The report further shows that in 1935, 49.8 per cent of the owner-operators of farms received less than $500 per year. Think of it—less than $10 per week. This is no 50- or 40-hour week, either. It is a 70- or 80-hour week; not for one man, but an entire farm family. This year farm prices are lower than in 1935. In that year the general average of farm prices was 86 per cent of parity. In April of this year it was 76 per cent of parity and prices of all farm commodities have declined since that time. Larger yields this year may equalize matters, but it is safe to assume that the average farm income, after paying operating expenses, will not exceed that for 1935.

## King John Does a Humpty-Dumpty for Capital

By HON. ARTHUR P. LAMNECK
Representative from Ohio

THERE may be funnier things in this world today than John of the shaggy locks and weeping willow eyebrows setting up a 1-day kingdom in the Capitol and then having his regal chair jerked out from under him, but I cannot conceive of it.

From the time that Lewis' endeavor to herd members of the Rules Committee like sheep failed, the mighty John L. became the laughing stock of the country. Nothing is more fatal to one who would be king than to make a joke of himself. This Lewis has done with rare success. Possibly when intelligent citizens of the United States stop chuckling at the spectacle Lewis has made of himself they will realize that he is just another exploded phenomenon and they will wonder why anybody ever feared him or took seriously his ambition to be either President or dictator or both.

All of this will have a salutary effect on industrial relations in the United States. The country has suffered terribly in recent months because of the domination by Lewis, primarily of the National Labor Relations Board, and many public officials. The result has been economic chaos. But this chaos will not last. With the Lewis obstruction removed by his own ridiculous actions, the country can settle down to a sound solution of the labor problem.

A sound solution can be found. Employers of the United States and people generally want workers to earn decent wages. At the same time, they want industrial peace. They know that only through the payment of adequate wages and industrial peace can prosperity be restored to this country. John L. Lewis never has had any such program in mind. He has sought and will continue to seek to stir up trouble between employer and employe and collect dues for himself. Fortunately, as I have pointed out, he does not control a majority of the labor of this country and I am convinced that there are enough loyal and decent workers and employers in it who, backed by the solid support of the average citizen who desires industrial peace and not warfare, can bring about a satisfactory and happy settlement for all concerned.

Lewis' Capitol Hill clowning has lifted a great strain from a nation which previously was taking him seriously. He has given the public a laugh. His frowns have lost their force. Perhaps his clouding up and threatening to "reign" will prove the clearing shower before the sunshine of industrial peace in our nation.

## Cycle Starts With The Consumer

By HON. JAMES P. POPE
Senator from Idaho

I SUBMIT that any logical inquiry into business practices will demonstrate the welfare of the average citizen depends not on the level of industry. The level of industry depends directly and exclusively on the welfare of the average citizen. Business is not a cause; it is a result. When the consumer has money with which to buy the things he needs, business is transacted. Automobiles, radios, stocks and bonds, or other commodities do not flow in the channels of commerce of their own accord. They move into the hands of the average man because he wants them and because he has the money to pay for them. If we want to presuppose that all businesses are philanthropic, that the primary concern of every corporation is the welfare of the man in the street, that the capitalist lies awake at night thinking of ways to distribute his fortune to the less fortunate, it can be said that the welfare of the average man depends on the welfare of industry. But I cannot approve of those presuppositions.

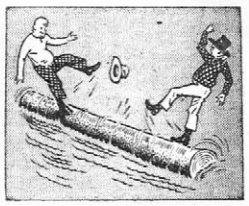
It is the nature of business, particularly large corporations, to seek profits. The profit motive is responsible for most industrial development. People will work harder to make more money, but that very fact precludes any argument that the welfare of the average man is the primary concern of business.

Before proceeding further, who is the average man about whom most economic arguments are waged? The farmer, the laborer, and the professional classes constitute the average citizens. They buy the products of industry. Their purchasing power is the reservoir of all credit operations. To them advertisers appeal, and their ability to pay is the real index of business prosperity.

How can we establish stable production at a high level? Why has production declined? Why is not the steel industry operating at capacity, the automobile industry making as many new cars as it can? The answer is lack of orders. No businessman will produce without orders. Business wants to go ahead; business wants to increase production; business wants to employ more men. It wants to operate as it should operate—if it gets orders. Those orders cannot come, in the main, from business itself. Business associations do not consume—they produce goods. The farmer, the laborer, the so-called average man of America is the ultimate source of orders. When they can buy, business booms; when they cannot, business slumps. The key to prosperity in the United States, it seems to me, is obscure only in its very obviousness. It lies in the simple formula of providing for and protecting the welfare of those with whom all business originates—the men who work for their living.

# THE SPORT OF THE NATION

- POLITICAL FOOTBALL
- LOG ROLLING
- GOAT FISHING
- HOG CALLING
- BUBBLE-BLOWING
- HIDE AND SEEK
- SHIRT-STUFFING
- DUMMY WRESTLING



## OF MUSE & MEN

### Lighting the Fires

THE STAID old Republican party—in a coma since its stunning 1936 defeat—is shaking the dust out of its hair, preparing for a new attack.

Amazed at the success of the New Deal's publicity and propaganda division, the G.O.P. has taken unto itself a smart young chief of press, long on adjectives and strong on the humorous side of politics.

That the G.O.P. has turned the mirror on itself to the extent it admits there IS a humorous side to politics, is hopeful. For the last six years the most incongruous opposition party in recent history, the G.O.P. finally has smartened up and decided to fight prairie fires of propaganda with forest fires of publicity.

Commissioned to comb the humor out of the New Deal and fire it to the hungry editors of the agricultural belts, is youthful Franklyn Waltman, Jr. He will cross pens with oldtime newsman Charlie Michelson who runs the New Deal press show on a part time basis.

Under present day democracy, there must be two strong parties. Otherwise one-party dictatorship results. That is today's situation.

### Hints to Easy Selling

*To win insurance contracts with*
*A simple flip of the wrist,*
*Just adapt your selling system to*
*The plan of 'Jimmy the Twist.'*
*Have your father elected governor,*
*And then strike while the iron is hot.*

## "YANKEE DOODLESKI"

—Philadelphia Inquirer

*And bundle him off to the White House*
*Into the presidential slot.*
*The clients will clamor around you;*
*They'll throw premiums into your lap.*
*For they love the twin joys of politics—*
*Patronage and pap.*

* * *

For the three or four persons in the nation who haven't heard it, we repeat this W.P.A. story:

An ambulance emergency crew, sirens whining, rushed to Work Project No. S-2339845673332, upon receiving a call that one of the W.P.A. workers had collapsed.

The crew carried away eight of the foremen before they got the right man.

## 'Strength Through Joy'—New Deal Vote-Buying Policy

"Strength through joy," Hitler's formula for a powerful nation, is becoming the theme of New Deal political effort.

Hitler's belief is that a joyful people is a strong people. Accordingly he whips them into line and buckles them together through programs of recreation, inexpensive automobiles, jobs and a measure of economic security.

The New Deal, seeking to strengthen its many weak points against the 1938 election tide and the 1940 torrent, is bracing its vote structure by affording moderate "joy"—in the form of W.P.A. wages—to those who vote as their ward heelers see fit.

Officials of the administration have done an about face on the matter of playing politics with relief funds. In 1934 such a thing was considered unthinkable. Since the bountiful results of 1936's "great mandate," however, the same officials realize that it would be politically sinful to scrap such a powerful vote machine.

In 1934 President Roosevelt told an assemblage of state directors of the Civil Works Administration, forerunner of W.P.A. and P.W.A.: "We want you to be absolutely hard-boiled if you find any local person within your own states who is trying to get political advantage out of human needs, and you will have the backing of this administration even if you hit the biggest political boss in the United States on the head in carrying out this general program."

But, alas, in 1938 this same idealist sits back silently as his right hand Harry Hopkins, W.P.A. boss, tells Iowa relief recipients how to vote; as Hopkins' assistant Aubrey Williams, cautions W.P.A.'s millions to "keep their friends in power," and as W.P.A. wages are raised cautiously in those states where the electoral fate of New Deal candidates in the fall elections remains uncertain.

In 1936 the W.P.A. machine was a vast, unexplored vote possibility. In 1938 it is a well greased, six cylinder vote-getting engine. By 1940, it is feared, the New Deal engineers will have streamlined it into a V-16, capable of rushing any candidate into office in any section where the election is not otherwise "in the bag."

# White Man is Real 'Vanishing American;' Indians on Increase

## Poor Teachers—Don't Know What They Don't Know!

NEW YORK, N. Y.—Pity the poor teacher!

All his life he has to study hard to keep a jump ahead of his students. This keeps him so busy he never learns what it is he doesn't know.

This was demonstrated strikingly in recent sessions of the National Education Association convention, where 15,000 teachers swarmed around the rostrum to gobble the words of wisdom that dripped from the lips of their fellow pedagogues, who peddled hundreds of speeches.

The teachers sought to find out what is wrong with democracy. They dug, scraped, probed, pinched, scratched, pulled, twisted and jerked. Yet each came up with a different diagnosis—many of them completely opposed.

Lyman Beecher Stowe, grandson of the author of "Uncle Tom's Cabin," came the closest when he averred that "Democracy is on the spot." He railed, properly, against Communism, Nazism and Fascism "within our borders," and warned the teachers it was their duty to stamp out these alien isms.

### IGNORE COMMUNISM

But a subsequent speaker, Dr. Goodwin Watson, a professor of education, blamed the whole situation on "conservative reactionaries," who are directing American government and industry. He said they were driving America to Fascism and war. He ignored the threat of Communism in the nation, probably confusing Earl Browder's democracy with the real thing. He's to be pitied.

The teachers cheered him although he slapped them for not going Communist and for not throwing out all the "plutocrats" who run industry and government. They're to be pitied.

Dr. Watson went farther. He said that Soviet Russia was "one of the most notable international achievements of our generation," and that newspapers, radio and schools should be taken from private owners and put under government control.

Poor Dr. Watson. He damned England, France and the United States for "plutocratic" government. He damned Italy, Germany, Spain, Portugal and the rest as Fascist. He left only one nation among the major group untouched—Russia. The Russian system of government—dictatorial Communism—he inferentially recommended for all.

## Birth Control Sends Native Stock Slumping

WASHINGTON, D. C.—The Indian, fictionized as the "Vanishing American," is far from that. He's the most rapidly increasing racial stock in the United States—thanks to the birth-controllers.

President Roosevelt presented a report by the committee on population problems to show that the United States is becoming a nation of old people. The true vanishing Americans are the romping, red-cheeked boys and girls of infant age.

American Negroes are reproducing at the same rate as whites, the report showed, but both groups took place behind the Indians, who may in some dim future day come into their heritage as rulers of America, through strength of population numbers.

The report pointed out that persons over 65, now accounting for six per cent of the population, will amount to 15 per cent in 1980. Persons who are under 20—37 per cent of today's population — will decrease to 25 per cent in 1980. Between 1935 and 1975, it is estimated, the number of persons from 20 to 44 years of age will increase only six per cent; the number of those from 45 to 64 years old, on the other hand, will increase 69 per cent!

### MORE OLD PEOPLE

The report stated that: "A most striking feature of the population shift predicted for the next few decades is the increase in the number of older workers relative to the number of younger adults." It pointed out this condition could be altered, (1) by opening the nation to greater immigration of alien stocks, or, (2) by reversing the now diminishing birth rate.

The President must have blushed as he accented the report's unquestionable evidence that birth control will necessitate either turning the nation over to foreigners, or submerging the White races among the Negroes and Indians. The President must have blushed because members of his immediate family have not been slow in advocating limitation of offspring for American families.

Poor Dr. Watson is a 99 and 44/100 per cent pure Communist and doesn't know it. The poor teachers—they'd all be Communists if Dr. Watson had his way, and they don't know it.

Pity the poor teachers!

# TAX-EXEMPT SECURITIES

THE Honorable Herbert E. Hitchcock, Senator from South Dakota, has been instrumental in compiling facts and figures relative to tax-exempt securities which were outstanding as of June 30, 1935. He says:

"Approximately what is the total amount of tax-exempt securities of Federal, State and municipal governments outstanding? Mr. George D. Babson, special attorney of the office of Assistant General Counsel, of Washington, D. C., has prepared two tables on tax-exempt securities in an article appearing in the *Tax Magazine* for January, 1937, page 8. His first table reads as follows:

TOTAL TAX-EXEMPT SECURITIES OUTSTANDING AS OF JUNE 30, 1935

| | |
|---|---|
| State, county and municipal | $19,277,000,000 |
| Federal | 27,645,000,000 |
| Territories and Insular Possessions | 146,000,000 |
| Federal Farm Loan System | 3,625,000,000 |
| R.F.C. | 3,905,000,000 |
| H.O.L.C. | 2,647,000,000 |
| Total gross | $57,245,000,000 |

"Of course, it is difficult to determine exactly how much of this sum is exempt from taxation because of these securities being held by charitable, scientific and eleemosynary institutions which are exempt from Federal taxation, but it is estimated that this sum approaches $8,826,000,000. Mr. Babson also estimates that approximately $2,433,000,000 of securities are held by the Federal Reserve banks which are also exempt from taxation. This leaves a total of $45,986,000,000 of such securities in the hands of the general public which now escapes taxation. Mr. Babson's second table, therefore, reads as follows:

ESTIMATED AMOUNT OF TAX-EXEMPT SECURITIES IN THE HANDS OF THE PUBLIC AS OF JUNE 30, 1935

| | |
|---|---|
| State, county and municipal | $16,895,000,000 |
| Federal | 26,137,000,000 |
| Territories and Insular Possessions | 117,000,000 |
| Federal Farm Loan System | 2,544,000,000 |
| R.F.C. | 250,000,000 |
| H.O.L.C. | 2,476,000,000 |
| Total net | $48,419,000,000 |
| Less Federal Reserve holdings | 2,433,000,000 |
| | $45,986,000,000 |

"This total of $45,986,000,000 which was estimated to be the total amount of tax-exempt securities in the hands of the public as of June 30, 1935, has undoubtedly risen to considerably in excess of $46,000,000,000 by the present time. Forty-six billion dollars is a very large sum. It is considerably in excess of the present national debt. Is there any logical reason why holders of $46,000,000,000 of tax-exempt securities should not be required to pay a tax on these securities, the same as holders of securities of private corporations or public utilities?

"Approximately what is the annual loss to the Federal Government from the exemption of these securities? Ogden L. Mills, the late Secretary of the Treasury, estimated the loss to the Federal Government alone (not counting the loss to State, county and municipal governments) from the exemption of these securities, on the basis of the income-tax rates in effect in 1923, to be $240,000,000 annually.

"Joseph S. McCoy, Government actuary, estimated the loss on the basis of the volume of tax-free securities outstanding at the beginning of 1922, at $120,000,000. E. R. B. Seligman, professor of political economy at Columbia University, on the other hand, testified before the House Ways and Means Committee that the loss to the Federal Government through tax-exempt securities is not less than $300,000,000 annually."

These tax-exempt securities mentioned by the Honorable Herbert Hitchcock, related to the year 1935. Since that time at least $10-billion more of tax-exempt securities have been added bringing our total well beyond $67-billion.

The innocent person believes that the rate of 3 per cent interest, which the taxpayers of the country pay for the use of this $67-billion debt money, is legitimate. They are of the opinion that $2-billion a year, represented in interest, is a fair price for the service which capital and capitalists render the nation, the state, the country and the municipalities.

But innocent minded people do not ask themselves the question: "Where did this $67-billion originate?"

Certainly, it was not $67-billion of money which people put in the banks as deposits. At least fifty of the $67-billion was created by a stroke of the fountain pen by the owners of the banks who loaned this money to the nation, the state, the county and the municipality. The interest which the ordinary taxpayer hands over for the redemption of these bonds amounts to well over $1,500,000,000 of unnecessary interest.

Ten years paying such interest would amount to $15-billion at least—enough money to cut in half our national debt. There is no need for the Government of the United States to borrow fountain pen money from the bankers and charge the taxpayers interest thereon.

For the construction of necessary public works, for the alleviation of physical necessities and for other governmental purposes, the Government itself should issue money tax-free for the benefit of the people.

SOCIAL JUSTICE is not only concerned with the existence of tax-exempt securities. It is more concerned with the existence of the securities themselves, most of which should never have been called into being through the illegitimate manner of borrowing fountain pen money from bankers and giving them, in return, tax-exempt bonds.

# The Week in the World

## MEN and EVENTS

THE Japanese-Chinese war continues to hold the spotlight with repercussions resounding throughout the world. The latest point of friction is Hainan Island, on the Gulf of Tongking, 150 miles east of the northern part of French Indo-China and it virtually controls the trade route to the northern part of the French possession.

Moreover, Hainan lies close to the sea route between Hongkong and Singapore, Britain's naval bases in the Far East.

When Japan strikes, it will be with the full force of her mighty navy, her efficient air force and her well-disciplined army. Both British and French envoys have warned Japan that any occupation will be met with joint Franco-British action.

In the House of Commons, the British undersecretary for foreign affairs, Richard Austen Butler, told the members that joint action would follow any occupation of Hainan.

Most of the news dispatches give the idea that Japan is simply going to take over. However, a *Chicago Tribune* correspondent, Kimpei Sheba, shed a good deal of light on the reasons behind the threatened occupation when he recently disclosed that France is rushing construction of a railway linking Lungchow, Kwangsi province, China, near the border of French Indo-China, and Nanking. This railway would be of incalculable aid to General Chiang Kai-shek, Chinese commander in chief, in obtaining vital military supplies in the event he sacrifices Hankow and moves his government and headquarters to Yunnan, near French Indo-China.

For this promised military aid, Chiang is granting valuable concessions to the French financiers – and that means the Rothschilds. Most of the concessions are in the nature of mining rights. A survey by the National Resources Commission, foreign controlled and operated, has revealed the presence of gold, silver, antimony, tungsten, asbestos, lead, tin, and rich copper ore in all parts of this little known province of Yunnan. In fact, its rediscovery by the French financial syndicate has brought many Chinese bankers and industrialists and their families, who have left Shanghai where business is paralyzed, to Yunnan to invest their capital and intelligence.

This vital railway has its bed already laid by French engineers, and 20,000 coolies are laying the rails which should be finished by August. As an auxiliary means of transportation of military supplies, a military highway, 40 feet wide, is being laid by 60,000 coolies working day and night.

While the puppet envoys and ambassadors state there is no secret agreement between the French and Chinese for military aid, yet it is an open secret to the well-informed that the contract ceding the mining and railway rights to the French in exchange for military aid was signed by French financiers and T. L. Soong, the younger brother of T. V. Soong, Chinese finance minister, whose father controls the Bank of China—a privately owned institution– and whose sister is Madame Chiang Kai-shek, the wife of the Chinese generalissimo. Just a little family affair!

With the Chinese government mint at Shanghai closed by war, the United States federal mint at San Francisco is minting ten million coins on order for China. The Chinese sent 150 tons of silver and copper alloy, from which the money is to be made. Peter J. Haggerty, superintendent of the San Francisco mint, is shown inspecting part of the production. (Acme)

With these facts before you, it is easy to understand why Japan must go after Hainan and by bombings prohibit that railway and military road from being completed.

This brings us to the aid of French and Russian financiers to Spain. Please bear in mind, that we do not refer to the good, solid French people. Most of them do not even know what is going on in their name in the Far East.

### Spain

THE Spanish Press Service has released a reliable and historically true little booklet giving the chronological record of French and Russian intervention in the Spanish civil war showing that Jewish-Russian financiers started the strife and that both Russia and France were the first to aid.

The record is divided into four parts. The chronology of the first section, which is called "Russia Caused the Civil War," is as follows:

1920—Spanish section of Communist International formed.

1930—Casanellas, one of Prime Minister Dato's assassins (1921), and Andres Nin leave Russia and begin intensive Communist work in Spain.

1931—Jimines Azua returns from Russia to be chairman of the committee arranging the republican constitution.

1932 – January: First attempt to found a Communist State of Spain.

1933—January: "We are engaged in organizing Workers' Soviets in anticipation of the crucial moment when the workers must be the first to arrive on the scene and to seize power." (Andres Nin, quoted in *The Times*, January 11.)

1934—October: First Soviet Republic in Spain founded in Asturias.

1935—August: Report to the Seventh Communist International Congress claimed for Russia the glory of the Asturias revolt.

1936—February 16: Popular front gains power by violence and fraud. (*Ex-President Alcala Zamora, Journal de Geneve*, 1-17-37.)

February 27: At a special session of the Russian Comintern, it was decided to send two delegates to Spain. One million pesetas was voted to cover the initial expense for the preliminary work of stirring up revolutionary disorder under the direction of the Saddist Bela Kun.

July 14: Soviet officials inform departing American Ambassador in Moscow, Mr. W. C. Bullitt: "Within a fortnight Spain will be ours, and within 10 months France as well."

July 18: After months of anarchy and bloodshed, "there remained neither liberty nor justice, neither order nor peace . . . The army intervened to restore a discipline broken by anti-patriotic traitors and criminal anarchists." (*Alexander Lerroux, the arch-radical of Spain, in L'Illustration*, 1-30-37.)

The second section of the leaflet tends to show chronologically that "Russia and France were the first to intervene." It is as follows:

1936—July 18: Outbreak of the Spanish civil war.

July 25: Ferdinand de Los Rios (now Leftist Spanish ambassador to the United States) arranges with the French Popular Front Government for present and future deliveries of war supplies to Spain.

July 26: The bureau du Profintern arranges for the first International Brigade of Workmen Volunteers to be assembled in France.

August 9: French government publishes declaration of neutrality.

August 15: M. Delbos, French Foreign Minister, informed the British ambassador of French government's decision to abstain from intervention, direct or indirect. Italy, Germany and Portugal suggested that volunteers be included in non-intervention pact. Russia and France refused definitely.

October 17: International Brigades arrive in Spain.

November 6: International Brigades hold Madrid against the assaults of General Franco and his soldiers.

November 13: "It is significant that almost directly after November 13, both Germany and Italy began to make preparations for sending troops to Spain." (*From "Spain over Britain," a booklet written against the Nationalists.*)

December 23: The Confederation Nationale des Anciens Combattants – a French patriotic organization – draws the French government's attention to the fact that the flow of volunteers is draining "the youth of France of its most vigorous and most enthusiastic elements."

The third section shows the extent of foreign intervention in behalf of the Leftists. The leaflet lists war materials captured, which material includes planes, all type guns and other munitions by the hundreds identified as of Russian, French, English and American make. It adds that up to February 2nd, 1938, when there were prisoners in the Nationalist concentration camps: 5,475 Frenchmen, 3,200 Russians, 2,763 Czechoslovaks, 882 Belgians, 275 Americans, and 236 British.

The final section shows the extent of Russian and French intervention this year and ends by quoting the present Prime Minister Negrin of Leftist Spain as follows:

"We have more war material now than when the insurgent offensive started."

This booklet proves indisputably the extent of a few international financiers' power over the lives of their fellowmen and the destiny of nations. That power must be broken.

### Russia

DESPITE all the propaganda of economic security in Russia disseminated by the Browders, the Fosters, and their ilk, the cold, hard facts of Soviet operations have been made public by the Bureau of Mines of the United States Department of the Interior.

The report is entitled "Mineral Production and Trade of the U.S.S.R." in its *Foreign Minerals Quarterly*.

Crediting the Soviet authorities with attempting to solve the problem of poverty in the midst of plenty and from it create ultimately a more secure life for the masses, the report says:

"But now after 20 years of Communism in Russia, instead of a uniform standard of living among the population, one sees a difference in living standards sometimes greater than that to be found in so-called capitalistic states.

"The tendency in the Soviet Union today is toward State Socialism with party leaders acting as government officials, serving as heads of gigantic departments.

"The government, controlling as it does all industries as well as all workers, is naturally all powerful.

"During the last quarter of 1937 a strong trend was made in the direction of administrative and operative decentralization. The extensive reorganization of industry was necessitated chiefly, according to Soviet publications, by serious difficulties experienced in nearly all branches of the national economy. The principal difficulties were the following:

"Frequent and serious breakdowns and accidents resulting in certain cases in prolonged idleness of entire plants or important shops thereof.

"Faulty technical methods and processing.

"Improper maintenance of equipment and unsatisfactory repairs.

"The iron and steel industry envisaged a profit of $150-million rubles in 1937, whereas it actually suffered a loss of $60-million rubles due to waste of raw materials, breakdowns and overdrawing of wage funds."

It is rather ironical that despite all the propaganda issued by Russian sources, we must get the real truth from the backdoor of our own Bureau of Mines.

## NEED GOOD CHILDREN FIRST

To the Editor:

I read a letter in "Curbstone Editorials" a few weeks ago by Rev. Eligius Weir, of Joliet, Illinois, which states that, "The parolee is not committing the majority of crimes. The record is held by our youngsters in their 'teens who are reared without moral training and whose recreation is supplied by their elders in the form of crime pictures, crime radio programs, crime magazines and crime lectures. If you advertise, you will sell the public."

That letter should be carefully studied by every father and mother in the United States. The average person doesn't realize what crime means to this country or to the children who are growing up.

We must have good children before we can have good men and women. Bigger and better jails and more electric chairs will not make them better.

G. J.

*Wollaston, Mass.*

## FIRING THE FIRST GUNS

To the Editor:

When the great conflict took place which resulted in the freedom of the slaves, the first guns were fired at Fort Sumter. Now the first guns are being fired in a far greater struggle to free all the nation from a slavery which reaches further than the slavery of the colored people, for it reaches all the people of this nation; hence the guns are trained on Washington.

No one may have heard the roar of the cannon but the artillery has started firing and will most certainly increase until victory is won.

If the question "What is Money?" were answered by the statement that it is a public utility, it would be more correct than any answer I have yet heard. It most certainly is the greatest utility the nation has, for it is the life blood of the nation as far as business is concerned, for by it, goods and services are transferred from one to another. Hence we must have money and it must be in quantity to circulate to all the people, just as the blood in a healthy man's body must reach all the members of the body. But if a man were to give control of his life blood to somebody else, he would be in bad shape. Yet that is just what our nation has done with its life blood; and that is why we have panics and hard times in regular succession as it suits the people who control our life-blood—the money of the nation.

J. Kane

*Wilkinsburg, Pa.*

## UNFAIR COMPETITORS

To the Editor:

The Government is giving unfair competition to business. What with three or four new taxes, plus the C.I.O. telling you how to run your business, it is no wonder the power is given to those who are not the direct owners of the small businesses.

If this keeps up, 75 per cent of businesses will close down and put us all in the street, so that Mr. Roosevelt, Mr. Hopkins and Mr. Lewis will have control of the biggest political machine this country has ever seen. The more people out of work and the more humans on relief, the more votes will be "bought" for the New Deal.

Gerald Cogliano

*Verona, N. J.*

## USELESS STRANGLE-HOLD

To the Editor:

The President has had a strangle-hold on Uncle Sam for the last five years, but at the present time he is letting up on his tremendous grip, as he sees that without congressional

help, he cannot effect a proper, healthy flow of the life blood of the nation.

If he and Congress would re-instate the policy of Andrew Jackson as expressed in the following words: "By the Eternal God I have determined to rout out the money changers," he and Congress would go down in history as servants who had saved what has appeared, for such a long time, as a lost cause.

The divine law of God has been debased and ruptured by the vested powers trying to substitute man-made laws.

The fundamental laws of the Constitution of the United States were based upon God's laws and it has always been the deviation from these laws that wrought havoc in the good United States.

W. J. W.

*Attleboro, Mass.*

## IS PRODUCTION DESTRUCTIVE?

To the Editor:

In a recent curbstone editorial one of the writers referred to a certain member of the Third Reich, Adolf Hitler, saying that values were in production and that he was right.

I refute that statement when production exploits a people's heritage and a world's resources. Isn't it within the province of priests, preachers, instructors and government to teach simplicity and quietude of comprehension, and values of lasting nature are what the Lord hath made thine or mine, according to His ways and wisdom?

Clyde Becker

*St. Clair, Mich.*

## WANTS BANK ACTS TO PASS COURTS

To the Editor:

Congress was given the right to regulate the value of foreign coin, because the framers of our Constitution realized that if we had money in this nation which could not be regulated as to value by Congress, then the primary purpose or right to make money circulate would be defeated.

Federal Reserve notes have not been issued by Congress. They therefore should be considered as foreign money. But stocks and bonds of private corporations have neither been issued by Congress nor are they regulated as to value. They certainly are not recognized as payment of taxes.

The reason the government is going into debt is because it has to pay a private corporation, the Federal Reserve Bank, to do business which was given to Congress by the Constitution.

I believe the Bank Act of 1863, the Federal Reserve Act of 1913, and all the intermediary and subsequent amendments thereto should be taken before the Supreme Court.

C. E. F.

*Milwaukee, Wis.*

## SHOULD CARRY ADVERTISING

To the Editor:

I believe Social Justice should carry advertising to help defray expenses. I think the only advertisers who should be admitted to the magazine are those who are adopting the principles of social justice in their organizations.

This would give us an idea as to whom to patronize and it would give the manufacturer more courage to carry on his principles and it surely would greatly increase his business.

Those who are fair to labor should be raised up so we can see who they are and buy accordingly. I would like to know that anything I see advertised in Social Justice has been made by an honest firm which treats its employes in a civilized manner. I would want to support such a manufacturer even if I had to pay a little more for the goods.

F. E. Callaghan

*Windber, Pa.*

## FINANCIAL PIRACY AT WORK

To the Editor:

My contention is that this recent depression was man-made and was accomplished by a mere handful of dealers in finance. They struck in the most vital part of our financial and economic system to ruin financially a great mass of our people, namely, the stock market, involving 15 million adults directly and the entire nation indirectly.

It is my belief that this handful of financial pirates laid their plans in the early spring of 1937, tested them a little later, got on the right side of the fence still later, and on September 3rd deliberately went to work to gradually depress the market until it reached a critical point in the minds of chart readers.

Then, on October 3rd, they forced the average prices below the critical point and thereby got the support and following of these chart readers in a great selling movement which crashed prices in the most spectacular manner in our history.

Those who think this maneuver is too difficult for a few big financial pirates should take a pencil and paper in hand and figure out how much money is necessary to sell short every share of stock on the New York Stock Exchange for ninety days, putting up full value as security. Then reduce this by figuring out how little would be necessary to sell only the ten leading stocks for ninety days; reduce this again by putting up only ten points as security for all leading stocks sold; then reduce the amount again by selling only half of all the ten leading stocks sold on a ten point margin before reaching the point where a following is created and margin selling is in full swing.

The experts can tell you how to reduce the capital required to ruin our country by another fifty per cent. It is a shame to think the President, Congress and the S.E.C. permits such a glaring weakness to exist.

E. M. G.

*New York City.*

## UNDERMINING THE STRUCTURE

To the Editor:

I contend that a majority of chain systems of stores are immoral because of their deception by circumvention. They sap the profit of a neighborhood and accept unfair trade allowances. They have been compelled to discontinue the latter, however, by the Federal Trade Commission who has condemned on more than one occasion the chain system.

The chains have denied short weights and have been found guilty in our courts. Their method of operation causes many of their employees to be dishonest in order to hold their jobs. They have exacted long hours and have paid low wages.

To my way of thinking, the chains are a mighty factor in undermining our social structure because there is little or no need for our schools, colleges and universities if the graduates find open only those jobs in chain organizations. It certainly requires no "higher education" to work in a chain store.

Finally, chains concentrate wealth in the hands of a few who cannot possibly spend the money but deny those who earn it the right to spend it.

E. J. Huyge

*Chicago, Ill.*

## POLITICAL DEGENERACY

To the Editor:

On looking back over a voting experience of nearly sixty years, I am unable to recall any period having the critical aspects pertaining to our political degeneracy of the present time.

It does not speak well for our intelligence when an administration in power threatens to use taxpayers' money appropriated to feed and clothe poor people, as a slush fund in order to defeat the re-election of any Senator or Representative that is not in complete accord with the administration's totalitarian, planned economy ideas.

Recently there have been some excellent articles exposing the hidden totalitarian features of the TVA, the ambiguous wording of the act creating the TVA which will permit some future bureaucratic commissioners to assume the functions of a super-state government.

Should they succeed in their plans, it will mean a new Supreme Court and a Reorganization Bill placing every government power in the hands of Roosevelt, seven little TVAs covering the country with super-state planned economy groups, all under the control of Roosevelt. Then we will have dictatorship with a vengeance.

A. Z. Ardley

*Edgewood, R. I.*

# TWO MORE WEEKS TO WIN $6,000.00 CASH!

## 30 CENTS NOW CAN LEAD TO FORTUNE!

### QUESTIONS FOR THIS WEEK

**QUESTION NO. 5**

**WHO IS FRANK HAGUE?**

1. Police commissioner of Newark, New Jersey
2. Mayor of Jersey City
3. Mayor of Trenton, New Jersey
4. C.I.O. Organizer
5. Safety Commissioner of Jersey City
6. New York World's Fair Executive
7. Governor of Massachusetts
8. Police chief of Philadelphia.

**QUESTION NO. 6**

**JOHN L. LEWIS IS HEAD OF WHICH INDUSTRIAL UNION?**

1. United Automobile Workers
2. Longshoremen
3. Maritime workers
4. Steel workers
5. Typographers
6. United Mine workers
7. Textile workers
8. C.I.O.

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 5 For Question No. 5 I Select Answer No. ☐ No. 6 For Question No. 6 I Select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

**HERE'S AN EXTRA COUPON**

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 5 For Question No. 5 I Select Answer No. ☐ No. 6 For Question No. 6 I Select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

## YOU CAN START HERE

**QUESTION NO. 1**

**WHO FIRST TAUGHT THE DOCTRINE OF THE LIVING WAGE?**

1. Karl Marx
2. Leo XIII
3. Jesus Christ
4. Pius IX
5. Henry George
6. Lenin
7. Mussolini
8. George Bernard Shaw

**QUESTION NO. 2**

**WHAT ALONE MAKES A DEMOCRATIC FORM OF GOVERNMENT POSSIBLE IN THE UNITED STATES?**

1. The United States Senate
2. The Supreme Court
3. The House of Representatives
4. The Chief Executive
5. The Constitution
6. Free elections
7. Christianity
8. Temperament of the American people.

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 1 For Question No. 1 I Select Answer No. ☐ No. 2 For Question No. 2 I Select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

**HERE'S AN EXTRA COUPON**

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 1 For Question No. 1 I Select Answer No. ☐ No. 2 For Question No. 2 I Select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

**QUESTION NO. 3**

**WHAT IS AMERICA'S STRONGEST SAFEGUARD AGAINST COMMUNISM?**

1. The Constitution
2. The United States Army
3. The United States Navy
4. Fascism
5. Protestanism
6. Catholicism
7. A Christian Front
8. Abundance of natural wealth
9. The American form of government.
10. American capitalism

**QUESTION NO. 4**

**OF FASCISM AND COMMUNISM WHY IS FASCISM THE LESSER OF TWO EVILS?**

1. Fascism guarantees free elections
2. Fascism permits freedom of political action
3. Fascism recognizes private ownership of property.
4. Fascism is against war.
5. Fascism is by nature more secure financially
6. Fascism permits free exercise of religion
7. Fascism is more representative of the people
8. Fascism teaches the state exists for the individual

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 3 For Question No. 3 I select Answer No. ☐ No. 4 For Question No. 4 I select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

You have only two more weeks in which to WIN the Grand Prize of $6,000.00 in our "CHRISTIAN FRONT" Contest!

Unless you enter this great national competition during the first five weeks you cannot win the neat fortune of SIX THOUSAND DOLLARS IN CASH. The Grand Prize is $3,000.00—BUT—all prizes in this greatest of social justice contests will be doubled for prize-winners who enter during the first five weeks.

Our last three contests have shown that ANYBODY CAN WIN. No special education is required. People from all walks of life have won more than $20,000.00 in cash in our last three competitions.

Well, then—

WHAT IF YOU ARE ADJUDGED WINNER OF THE GRAND PRIZE AND OUR RECORDS SHOW THAT YOU DELAYED YOUR ENTRANCE INTO THE CONTEST UNTIL AFTER THE FIRST FIVE WEEKS!

IN THAT CASE YOU WOULD WIN $3,000.00 INSTEAD OF $6,000.00. YOU WOULD LOSE A CLEAR $3,000.00!

All prizes are to be doubled for winners who enter NOW. If you become a contestant NOW and win the Second Prize of $1,400.00, you will receive a check for $2,800.00. If you hurry and are adjudged winner of the Third Prize of $1,000.00, you will be awarded $2,000.00. And so on right down the line.

Whichever prize you win will be DOUBLED if you enter the great Contest during the first five weeks.

Therefore, what should you do? Of course, this is a useless question. Obviously, the thing to do is enter TODAY.

On this page you have before you the first six questions. By working them out and sending in your solutions with 30 cents in coin you are a full-fledged contestant. Of course, you may pay up in full if you wish—$2.50.

Whichever you do, don't fail to enter today. Don't take the chance of missing out completely on the opportunity to strike for $6,000.00 in Cash.

In a few days SOCIAL JUSTICE will distribute a harvest of cash awards to winners in our recently concluded "AMERICA TODAY" Contest. But—

Our "CHRISTIAN FRONT" Contest with $14,000.00 in cash prizes to early winners is the greatest competition of its kind ever conducted.

AND IT IS THE LAST OF THE SOCIAL JUSTICE SERIES OF EDUCATIONAL CONTESTS!

This can be YOUR TURN to win—and the prize is $6,000.00.

What more need be said?

### RULES OF THE CONTEST

1. Open to all readers of SOCIAL JUSTICE except employes of Father Coughlin, members of the former National Board of National Union for Social Justice, or members of their families.
2. The Contest shall consist of 50 questions and run for 16 consecutive weeks beginning on July 4, 1938. Two questions each week for 15 weeks and all 50 questions to appear on the 16th week. Each question deals with Christianity, the social justice principles of Father Coughlin, or the contents of the SOCIAL JUSTICE magazine.
3. A Grand Prize of $3,000.00 will be awarded the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based on the universal doctrine of Christianity (all creeds) or the viewpoint of Father Coughlin as expressed over the radio or in the columns of SOCIAL JUSTICE. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.
4. In order to qualify as a prize-winner the contestant is required to send in 10 cents in coin (not stamps) with each pair of answers, and to obtain two yearly subscriptions or four half-yearly subscriptions to SOCIAL JUSTICE magazine. For these the contestant shall have sent without further cost a copy of Father Coughlin's compiled 16 radio lectures of the 1938 season.
5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late or lost in the mails. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.
6. In event of ties additional questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.
7. Do NOT decorate Coupons. Neatness will NOT count.
8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.
9. A contestant may send in any number of sets of duly qualified answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set and two yearly or four half-yearly subscriptions with each set submitted shall be entitled to have a copy of Father Coughlin's 1938 Radio lectures for each set submitted.

### SO CONTESTANTS MAY KNOW

1. Study the questions. Mark your selection of the best or most appropriate answers on the Coupons below the questions and send in EACH WEEK with 10 cents in coin (not stamps).

2. If you wish, you may pay in full, $2.50 NOW, and then send in your weekly coupons without further remittance.

3. In order to qualify as a prize-winner you must obtain two new yearly subscriptions ($3.00 per year) or four new half-yearly subscriptions ($1.50) to SOCIAL JUSTICE WITH EACH SET OF SOLUTIONS SUBMITTED. THESE SUBSCRIPTIONS MAY BE SENT IN AT ANY TIME DURING THE COURSE OF THE CONTEST. These subscriptions must be from persons NOT taking SOCIAL JUSTICE by mail at the time the subscription is taken.

4. Each question will pertain to Christianity, (not of any particular creed), to the social justice principles laid down by Father Coughlin, or to the contents of SOCIAL JUSTICE magazine. One of the list of suggested answers underneath each question will be the best or most appropriate based upon the viewpoints of Father Coughlin or this national weekly. It is your job as a contestant to try to select that particular answer.

5. In order to qualify as a prize-winner, in addition to obtaining the above-mentioned subscriptions, each contestant is required to remit $2.50 for each complete set of solutions submitted. THE NET PROCEEDS OF THE CONTEST GO INTO THE BROADCASTING FUND TO ASSURE FATHER COUGHLIN'S WEEKLY ADDRESSES NEXT SEASON!

6. If you run more than one set of answers, be sure to mark your sets "Set 1," "Set 2," "Set 3" etc. Each set stands alone in the judging. Coupons are NOT taken from one set to fill in bad "holes" in another set.

7. ALL PRIZES DOUBLED FOR WINNERS WHO ENTER THE CONTEST IN THE FIRST FIVE WEEKS AND RETURN TEN SOLUTIONS IN THAT TIME.

### GET YOUR BOOK EARLY

*Immediately you enter the "CHRISTIAN FRONT" Contest you will be sent your copy of Father Coughlin's "Sixteen Radio Lectures." 1938 series. This volume will be of much help to you in answering the contest questions. Bear in mind—ANYONE can win the Grand Prize of $6,000.00 or any of the remaining 158 cash prizes. No special education is necessary. Very few winners in past SOCIAL JUSTICE contests had more than an ordinary grade-school education. To win — you must KNOW your social justice. That's all.*

### HERE THEY ARE

| | |
|---|---|
| GRAND PRIZE - - | $3,000.00 |
| Second Prize - - - | $1,400.00 |
| Third Prize - - - - | $1,000.00 |
| Fourth Prize - - - - | $300.00 |
| Fifth Prize - - - - - | $200.00 |
| 4 of $25.00 ea. - - - | $100.00 |
| 50 of $10.00 ea. - - - | $500.00 |
| 100 of $5.00 ea. - - - | $500.00 |
| | $7,000.00 |

**HERE'S AN EXTRA COUPON**

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 3 For Question No. 3 I select Answer No. ☐ No. 4 For Question No. 4 I select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

**ADDRESS: "CONTEST EDITOR," SOCIAL JUSTICE**
**ROYAL OAK, MICHIGAN**

# Don't Be An Ostrich!

When in flight from imminent danger an ostrich sticks his head in the sand and "thinks" that, since he can see nothing, he cannot be seen.

Millions of Americans are afflicted with ostrichitis. They read about the inroads of Communism. They hear about Communistic activities in labor circles. They even suspect Communistic leanings in their government.

But, they say to themselves: "Oh, what if these things are true? Communism will never bother ME."

This complacency on the part of American citizens is one of the chief assets of Communist agitators. Communism was put over on Russia while the teeming millions of that great nation were napping after years of wearisome war. IT WAS PUT OVER BY A MINORITY OF LESS THAN ONE-HUNDREDTH OF THE TOTAL POPULATION!

Unless you—and you—and you—wherever you live in this country become ACTIVE against Communism, you will wake up some lovely morning and find the liberties you cherished as an American "gone with the Communist wind."

There is only one last defense—a Christian Front.

Unless the Christians of the United States can be marshalled into a solid phalanx, the Communist tide can never be stemmed. Already it has eaten its way into our labor, our school, our government—EVEN OUR CHURCHES.

Thousands of SOCIAL JUSTICE readers have become members of the "MILLION LEAGUE." They have placed themselves on the "firing line" in readiness to defend American institutions against the Red onslaught.

How better can you contribute to the saving of America than by joining the "MILLION LEAGUE" today? As a believer in the social and economic principles of Father Coughlin, why not become active in this nationwide organization which has for its purpose the spread of social justice in the United States?

You are sorely needed on the "CHRISTIAN FRONT." By becoming a member of the "MILLION LEAGUE" you are doing an invaluable service to yourself. Because—YOUR LIBERTIES are being menaced. The institutions which have given YOU freedom of thought and action in America are being cut down by the termites of Communism. It is time for YOU to act.

The filling in of the Co-Operation Coupon on this page will be an indication that you are not an ostrich—that you realize opposition to the advance of Communism is YOUR duty because, in the event of a Communist victory in America, you will be very much SEEN.

**CO-OPERATION COUPON**

SOCIAL JUSTICE,
Royal Oak, Michigan.
Gentlemen:

I wish to help Father Coughlin and social justice in the United States by joining the "MILLION LEAGUE."

Please send me at once full particulars of how I can be of assistance.

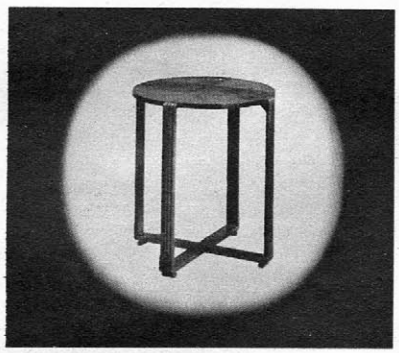
My Name Is.....

My Address Is.....

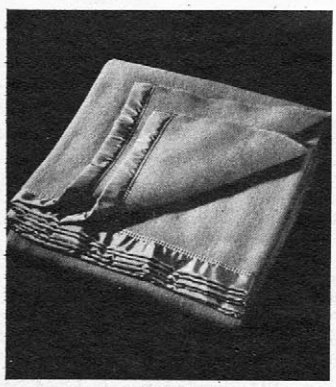
City or Town.....State.....

# YOU HAVE SIX MORE WEEKS TO CASH IN

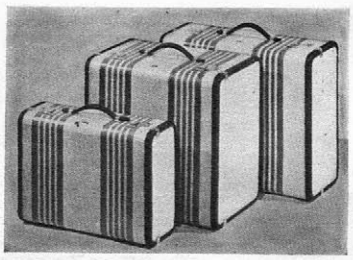
**No. 15128—1040 papers.**
**WESTINGHOUSE DELUXE COFFEE AND TEA MAKER.** As modern as tomorrow, with finish in chrome and Moldarta. The last word in scientific making of delicious, crystal clear coffee or tea, and results are always the same. Heat-retaining, brick type element keeps the beverage hot to the last drop.



**No. 15125—1200 papers.**
**OCCASIONAL TABLE** in Walnut finish.



**No. 15127—1120 papers.**
**100% VIRGIN WOOL BLANKET.** 70 x 80-inch size, with satin bound edge. Available in Rose, Green, Orchid, Peach and Cedar. State color desired.



**No. 15132—1070 papers.**
**AEROPLANE LINEN LUGGAGE.** Striped water-proof linen, bound with topgrain cowhide. Choice of men's suitcase in 15, 18 or 21-inch size, or lady's overnite case, week-end case or hat box. Available in Blue, Brown or Tan. Specify color and which piece desired.

**Our Great Premium Season of 1938 will come to an end with our issue of August 15. Between now and then you have ample time to earn a nice weekly income and also to win one or more handsome and valuable premiums for selling SOCIAL JUSTICE in your locality.**

**If you are already a SOCIAL JUSTICE distributor, you can win a prize of lasting value by "whipping up" your sales a bit during these last seven weeks.**

**If you have never sold SOCIAL JUSTICE you should realize that several men and women, boys and girls earn as high as $20.00 per week for a few hours work on week-ends. Besides this, you are helping to spread the social justice principles of Father Coughlin so badly needed in America today.**

**Use the Coupon below at once. In a few days you will receive a beautifully illustrated catalogue of premiums that can be yours.**

**USE THIS COUPON NOW—**

CIRCULATION DEPT.,
Social Justice,
Royal Oak, Michigan.
Gentlemen:

Please count me in on your Cash and Special Premium offer for selling SOCIAL JUSTICE this summer.

Send me without obligation on my part illustrated catalogue of premiums and full instructions.

My Name Is.....

My Address Is.....

City or Town.....State.....

**SELL SOCIAL JUSTICE ON YOUR VACATION**

NATIONAL WEEKLY

# Social Justice

*Founded 1936 by Father Coughlin*

## Man of the Week

# Behind the Eight Ball

*THE man of this week is behind the eight ball*—the Congressional mustang who dared to vote against the high command in the 75th Congress, and now dares to seek re-election in the face of a $5-billion opposition.

These unlucky seven—M.C.'s who failed to "go along," when going-along was the fashion—are imminently aware of the New Deal antagonism being percolated within their own state party organizations, — a subtle reminder that the New Deal ("no reprisals") machine never really forgets.

Georgia's 60 year old Senator George, who served his Democratic state in the Senate for 16 years, voted against the Court packing proposal along with the other six victims, and again said "nay" to the question on reorganization—qualifies as an anti-New Dealer to be eliminated in the Congressional purge. Senator Lonergan of Connecticut is chiefly remembered for his opposition to court packing and reorganization. Homer Cummings, personally assigned to Lonergan's political assassination, made little headway with the Connecticut Yankees in control of the state party, but post-adjournment rumors assert that W.P.A. foremen are already organizing the march against Lonergan.

Senator Bennett Champ Clark of Missouri was slated for the ax, even before he walked into a leading role against the reorganization bill, and Senator Pat McCarran was told early in 1937 that if he continued his leadership against New Deal "reforms," there would be a different viewpoint when he asked for something for Nevada.

Senator Bone knew too, when he refused to let his reorganization vote be "purchased" at a pretty penny for his state of Washington, that he was courting his own funeral, just as the consistently American Senator Tydings knew he could expect political decapitation in Maryland. And Senator Gillette experienced what is known as the "reprisal," even though he had voted with the New Deal twice on the reorganization plan.

The Senators now campaigning for re-election went into office with the Roosevelt administration in 1932 and like many of the House objects of New Deal derogation, were greatly responsible for the president's election in their states in the first place.

Once the power behind the New Deal throne, they are now reaping the ultimate harvest of political panderers — an A-1 place behind the eight ball.

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